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SECTION 1 Introduction

1.1 Introduction

Thank you for your participation in California Franchise Tax Board's (FTB) Electronic Filing Program (e-file). We are pleased to welcome you back and thank you for your continued support. If you are new to our program, we'd like to welcome you aboard and thank you for joining our team.

This publication will provide you with information on the e-file Program as well as information to help you file and revise your e-file application, your responsibilities as a participant, and rules and procedures for various aspects of the program.

If you are an active participant in California's e-file Program, we will automatically send you a new publication using the information contained on your form FTB 8633, *California Application to Participate in the e-file Program*.

1.2 Differences Between the IRS and FTB e-file Programs

FTB conforms to the IRS Revenue Procedure 98-50, *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*, found in IRS Pub. 1345, with the following exceptions:

- ✓ All state tax returns and attachments are transmitted directly to FTB in Sacramento, California.
- ✓ FTB will accept only variable length records.
- ✓ No paper is sent to FTB:
 - form FTB 8453 is retained by the ERO; and
 - the taxpayer retains forms W-2, W-2G, and 1099-R.
- ✓ FTB does not have an "offset" indicator.
- ✓ FTB does not accept substitute W-2 forms.

1.3 What is the Participant Acceptance Testing System (PATs)?

If you plan to transmit return data yourself or you are a software developer you must pass PATs testing. FTB Pub. 1436, *Test Package for e-file of Individual Income Tax Returns*, contains all the information you will need to complete PATs testing. FTB Pub. 1436 is available in November of each year and we will automatically distribute it to transmitters and software developers. You can also obtain a copy of FTB Pub. 1436 by calling the e-file Help Desk. The e-file Help Desk staff will provide assistance during PATs testing.

SECTION 1 Introduction (Continued)

1.4 Who Do I Contact If I Have A Question About The e-file Program?

For e-file assistance, contact the e-file Help Desk, Monday through Friday, between the hours of 8 a.m. and 5 p.m., Pacific Standard Time.

e-file Help Desk

Phone: (916) 845-0353

FAX: (916) 845-0287

Email: *e-file@ftb.ca.gov*

1.5 Where Can I Get Additional Information?

You can obtain additional information on the e-file Program and all publications by:

- ✓ accessing FTB's electronic services page located on the Internet at:
www.ftb.ca.gov/elecserv
- ✓ accessing the IRS bulletin board via modem at (606) 292-0737; or
- ✓ requesting a copy, on either paper or diskette, from the e-file Help Desk.

You may direct comments or suggestions regarding the e-file Program or this publication to:

Darice M. Trafton, e-file Coordinator

Franchise Tax Board

PO Box 1468, MS A-1

Sacramento CA 95812-1468

Phone: (916) 845-6722

FAX: (916) 845-5340

Email: *darice_trafton@ftb.ca.gov*

1.6 Assistance for Persons with Disabilities

We comply with the provisions of the Americans with Disabilities Act. Persons with hearing or speech impairments, call:

From voice phone: (800) 735-2922 (California Relay Service)

From TTY/TDD: (800) 822-6268 (direct line to our customer service)

For all other assistance or special accommodations, call (800) 852-5711.

1.7 e-file Calendar - Taxable Year 1999

Tax Return Period	January 1 to December 31, 2000
Deadline for Receipt of "New" Application Form FTB 8633	Year Round
FTB Begins Accepting Test Transmissions Testing will begin upon release of FTB Pub. 1436, <i>Test Package for e-file of Individual Income Tax Returns</i>	December 2, 1999
First Date to Begin Transmitting Live Returns	January 14, 2000
Last Date to Transmit Timely Filed Returns California state personal income tax returns have an automatic six-month extension date for timely filing. However, any taxes owed must be paid by April 17. If the balance due is not paid by April 17, additional penalties and interest will apply.	April 17, 2000
Last Date to Retransmit Rejected Timely Filed Returns	April 21, 2000
Last Date for Acceptance of Test Transmissions	April 30, 2000
Last Date to Transmit Timely Filed Returns Under Extension	October 16, 2000
Last Date to Retransmit Rejected Timely Filed Returns Under Extension	October 20, 2000
Last Date for Transmitters to Retain Acknowledgment File Material	December 31, 2000
Last Date for EROs to Retain Electronic Return Related Material Practitioners and EROs are required to retain form FTB 8453, <i>California Income Tax Declaration for e-file</i>, in their office for no less than four (4) years from the due date of the return.	December 31, 2000

1.8 What's New For Taxable Year 1999?

Electronic Postmark

The Electronic Postmark fields may be used by software developers to "stamp" each return with the date and time it was first transmitted. This is used by FTB as the file date of the electronic return.

Practitioner Tax Identification Number (PTIN)

Tax preparers may use this 9-digit number assigned by the IRS, instead of their Social Security Number when providing preparer information. Enter the PTIN in the field identified as "Preparer's SSN/FEIN/PTIN."

Software Identification Field

The California Software Identification field has been added to the summary record. Your software developer will include the Computerized Tax Processor (CTP) ID, a 3-digit number assigned by FTB, in this field.

Private Mail Box Field

The Private Mail Box (PMB) field has been added to all California forms, including e-file forms. If your client has a PMB, please enter it in the Additional Address field. If the Additional Address field has other information, enter the PMB at the end of the street address field. These requirements pertain to electronically filed returns only. Do not incorporate these edits for scannable forms.

Decreased Dependent Exemption Credit

The dependent exemption credit will decrease from \$253 per dependent to \$227 per dependent for the 1999 taxable year.

Bisynchronous Communications

FTB will no longer accept bisynchronous communication. Use only asynchronous communications.

New Forms and Schedules

- ✓ Form 540 2EZ - California Resident Income Tax Return
- ✓ Form FTB 3521 - Low Income Housing Credit
- ✓ Form FTB 3801-CR - Passive Activity Credit Limitations

Voluntary Contributions

- ✓ California Peace Officer Foundation Memorial Fund was added.
- ✓ Birth Defects Research Fund was added.
- ✓ California Military Museum Fund was deleted.

Head of Household Pilot Continues

- ✓ Form FTB 1540e - HOH Attachment. Modification of worksheet (for e-filers only). See page 8 for more details.

1.8 What's New for Taxable Year 1999 (Continued)

New Error Codes

- ✓ 107 540/A/EZ/NR /2EZ The Automatic Withdrawal Amount (Field 467) and Automatic Withdrawal Date (Field 468) along with the Routing Number (Field 700) and Account Number (Field 730) must be present for an Automatic withdrawal request to be elected.
- ✓ 158 SUM(mary) The California Software ID Number (Field 32) must be present and must be the Computerized Tax Processor ID of the originating software developer.

Reminders

- ✓ SEIN (State Employer Identification Number) consists of all characters from box 16 of the taxpayer's form W-2 (can be up to 14 characters). Any value including spaces, dashes, alpha characters and other punctuation or symbols will be accepted. Enter the information exactly as it appears in box 16. If box 16 is blank, leave the e-file field blank. The 2-position (alpha only) field preceding the SEIN must contain the 2-letter state abbreviation.

1.9 Head of Household (HOH) Pilot Continues in 1999

Form FTB 1540e - HOH Attachment

This year the Franchise Tax Board (FTB) will continue its efforts to determine the feasibility of capturing, during return processing, the HOH data needed by FTB's Audit Program.

Reminder

Participation in the pilot is available only through e-file and is still voluntary.

Preliminary data from last year's returns reveals that 99.2 percent of those filling out the questionnaire did not need a subsequent contact from FTB. However, participation does not guarantee the taxpayer will not receive a Head of Household Questionnaire subsequent to the filing of their return. For instance, if the information provided to FTB is not complete and does not substantiate the HOH filing status, the taxpayer will be notified and asked to provide additional information.

Suggestions

FTB's Audit staff suggests the following to help EROs and taxpayers complete the HOH Attachment correctly.

Watch for:

- ✓ Illogical timeframes (example: 101099 - 010199)
- ✓ Illogical relationship codes (must be 1-7)
- ✓ Illogical absence reason codes (must be A - H) - new
- ✓ "Yes" and "no" boxes checked on the same question
- ✓ Blanks on "yes" and "no" questions

Note - If "No" is checked on question 3, or "yes" is checked on question 6, at least one "From" and one "To" date field for each question must be completed.

Form FTB 1540e - HOH Attachment Changes

Please note the revisions to form FTB 1540e, HOH Attachment on page 84.

- ✓ The formats of questions 2-3 has been changed.
- ✓ The "Absence reason codes" (A - H) has been added for clarification.
- ✓ Questions have been added and formats changed to allow for yes/no answers.

SECTION 2 e-file Program

2.1 General Information

e-filing ensures a more accurate return because the e-file software verifies the return information before it is transmitted to FTB. And FTB's e-file process verifies certain aspects of the return before accepting it; so e-file returns have the lowest error rate of all returns filed. In addition, taxpayers are ensured that FTB received their return because an acknowledgment is sent back to the transmitter for each return submitted to the FTB e-file system.

You may transmit electronic Forms 540, 540A, 540EZ, 540NR, and 540 2EZ via modem using dial-up telephone lines to FTB's e-file system in Sacramento (916-845-0854). The return information is checked for completeness and accuracy. If the return is accepted, it is sent into regular processing on FTB's mainframe computer. If the return is rejected, error codes on the acknowledgment file identify the problem that must be corrected before the return can be resubmitted.

FTB conforms to the IRS Revenue Procedure 98-50, *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*, found in IRS Pub. 1345, Appendix II.

2.2 Definition of e-file Participants

An **Electronic Return Originator (ERO)** is the person or firm that the taxpayer entrusts with tax information for the purpose of filing an income tax return electronically. To be an ERO, you must:

- ✓ be an accepted participant in the Internal Revenue Service's e-file Program,
- ✓ receive an Electronic Filer Identification Number (EFIN) from the IRS,
- ✓ submit form FTB 8633, California Application to Participate in the e-file Program, and
- ✓ pass FTB's suitability check.

An ERO may obtain tax return information from taxpayers in a number of ways. The following describes how and where EROs may interact with the taxpayers.

Electronic Return Preparers prepare tax returns, including form FTB 8453, *California Individual Income Tax Declaration for e-file*, from data collected from the taxpayer. Electronic Return Preparers may compute the tax themselves, use tax preparation software, or contract with third parties who will compute the tax. If the preparer uses a third party, the third party must be an accepted service bureau and have a valid Service Bureau Identification Number (SBIN) assigned by the IRS. Service bureaus must enter their SBIN in the electronic record that is transmitted to FTB.

2.2 Definition of e-file Participants (continued)

Electronic Return Collectors are EROs who *obtain already completed tax returns*, including form FTB 8453, directly from taxpayers who wish to have their returns e-filed. The key is that the return must come directly from the taxpayer. If the return is obtained from a source other than a taxpayer, the ERO is functioning as a service bureau and needs a Service Bureau Identification Number (SBIN). Electronic Return Collectors may collect returns directly from taxpayers, and not be considered a service bureau, even if the returns were prepared by someone other than the taxpayer, for example, a paid or unpaid preparer.

Drop-off Collection Points are physical locations associated with EROs for the sole purpose of collecting already completed tax returns or return information, including form FTB 8453, directly from taxpayers who wish to have their returns e-filed. No return preparation, modification, or e-file origination is permitted at these locations. Drop-off collection points must be listed on your initial application. Each Drop-off Collection Point must have its own Collection Point Identification Number (CPIN). An ERO can have multiple CPINs associated with its EFIN. EROs are responsible for all activity at their Drop-Off Collection Points.

2.3 Different Ways to Participate in e-file

Electronic Return Preparers vs. Electronic Return Collectors

Both electronic return preparers and electronic return collectors are considered to be EROs because both are responsible for the entry of return data into the e-file system. The difference is that electronic return preparers prepare taxpayers' returns from information supplied by taxpayers while electronic return collectors simply enter the return data from already completed returns. However electronic return collectors become electronic return preparers when, as a result of entering the data, they discover errors that require substantive changes and make the changes. Substantive changes are defined as changes of more than \$50 to taxable income or changes of more than \$14 to total tax, California income tax withheld, refund, or amount you owe.

Electronic Return Collectors vs. Drop-off Collection Points

The key to understanding the difference between electronic return collectors and drop-off collection points is determining whether e-file origination occurs at the site where the return is collected. At drop-off collection points, no return preparation, modification, or e-file origination may occur. The returns or information must be transported to the office of the ERO to complete the e-file process. Drop-off collection points may be staffed or unstaffed (e.g., a secure drop box). If staffed, the person may collect the fee and ensure that everything is properly signed. Any other actions change the business character of the location to that of an electronic return preparer or an electronic return collector. This means that the ERO must apply for and receive an EFIN for that location.

SECTION 3 Form FTB 8633, California Application to Participate in the e-file Program

3.1 General Information

All organizations or individuals interested in participating in California's e-file Program must submit form FTB 8633, *California Application to Participate in the e-file Program*. A copy of form FTB 8633 is on page 14 of this section. FTB will return incomplete or improperly signed applications to the applicant. Following are the guidelines for participation:

- a. You must currently be accepted into the IRS e-file Program, have a valid IRS Electronic Filer Identification Number (EFIN) and/or Service Bureau Identification Number (SBIN) and, if applicable, an Electronic Transmitter Identification Number (ETIN). FTB uses the EFIN, ETIN and SBIN assigned by the IRS for California e-file purposes. Software developers, transmitters or service bureaus with multiple EFINs, ETINs and/or SBINs must use the number assigned by the IRS for transmitting to the IRS Austin Service Center.
- b. You must comply with the requirements and specifications set forth in this publication (FTB Pub. 1345).
- c. All applicants (software developers and VITA/TCE sites excluded) must pass a suitability test. Applicants cannot submit any returns for e-file until they pass the suitability test and receive notification of acceptance. If an applicant is denied, FTB will send a letter explaining the reasons for denial. If an applicant who is denied attempts to submit returns electronically, the transmission will be rejected.
- d. You must pass PATS if you will be developing software for California e-file and/or transmitting directly to FTB. FTB will assign transmitters a password for filing California e-file returns. Software developers will receive a password if they electronically transmit returns.

FTB will grant acceptance to participate in the program to qualifying applicants and will mail written notification of acceptance or denial to the applicant.

Upon acceptance, FTB will mail a copy of FTB Pub. 1345. FTB Pub. 1345 is also available on the Internet, the IRS bulletin board or by contacting the e-file Help Desk. Refer to Section 1, Where can I get additional information?

3.2 Obtaining Form FTB 8633

This section includes a copy of form FTB 8633. You may obtain a copy of form FTB 8633 by:

- a. Accessing FTB's home page located on the Internet at: **www.ftb.ca.gov**;
- b. Accessing the IRS bulletin board via modem at (606) 292-0137; or
- c. Calling the e-file Help Desk at (916) 845-0353.

3.3 Who Must Apply?

All organizations or individuals **not** previously accepted in the California e-file Program must submit form FTB 8633, *California Application to Participate in the e-file Program*. Branch offices must file individual applications for acceptance into the program. FTB will return applications that are incomplete or improperly signed to the applicant. FTB conforms to the IRS Revenue Procedure 98-50, *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*.

Applicants must file a **new** form FTB 8633 if:

- a. The applicant was previously denied participation in the e-file program.
Applicants denied acceptance into the program within the current calendar year do not need to file a new form FTB 8633. Contact the e-file Help Desk at (916) 845-0353 for assistance; or
- b. The applicant has been dropped from the e-file program.

Once accepted into the program, you must submit a **revised** application, form FTB 8633, if there is a change to:

- a. The firm's organizational structure, including updates to the list of principles, partners or corporate officers;
- b. The firm's name or doing business as (DBA) name;
- c. The e-file functions performed (form FTB 8633, question 3); or
- d. The list of drop-off collection points.

3.4 When Must I Apply?

FTB will accept your application to file 1999 returns during 2000 at any time. In order to be ready for the January 14, 2000 start date, your application should be postmarked no later than December 1, 1999.

3.5 Where Do I Apply?

Mail new or revised forms FTB 8633 using one of the following:

Send completed applications to:

**e-file Unit
Franchise Tax Board
Mail Stop A-1
PO Box 1468
Sacramento CA 95812-1468**

Fax applications to:

(916) 845-0287

Send courier, overnight mail, freight or UPS deliveries to:

**e-file Unit
Franchise Tax Board
Mail Stop A-1
9645 Butterfield Way
Sacramento CA 95827**

3.6 Reminders

Applications that are incomplete or improperly signed will be returned to the applicant. An official of the firm or a person authorized to act for the firm in legal or tax matters **must** sign all applications. The name and title of this person must appear on form FTB 8633, line 5.

If you have questions about completing form FTB 8633, contact the e-file Help Desk at (916) 845-0353, Monday through Friday, 8 a.m. to 5 p.m. PST.

Applications may be faxed to FTB. The original application, bearing the “**live**” signature (not a photo copy), **must** be received by FTB within **30 days** of the receipt of the faxed application. Failure to provide the “**live**” signature within this time frame will result in the applicant being dropped from the program.

3.7 Administrative Review Process

By signing form FTB 8633, applicants agree to comply with the procedures, requirements, and specifications of FTB Pub. 1345. Applicants who have been denied participation in the program or accepted participants who have been suspended from the program do not have the right to administrative review.

California Application to Participate in the e-file Program

FORM

8633

1	Please print or type This application is (check one) <input type="checkbox"/> New <input type="checkbox"/> Revised <input type="checkbox"/> Reinstatement <input type="checkbox"/> On-line Filing			
	a Federal Employer Identification Number FEIN # _____	b IRS Electronic Filer Identification Number EFIN # _____	c IRS Electronic Transmitter Identification Number ETIN # _____	d Service Bureau Identification Number (if applicable) SBIN # _____
	e Legal name of firm as shown on tax return.			
	f Doing Business As (DBA) Name (if other than the legal name in item 1e).			
	g Permanent mailing address (include street or PO Box, City, State, Zip Code)			
	h Business address (if different from the physical location, include Street, City, State, Zip Code)			
	i Check the box that indicates your firm's organizational structure and complete Side 3, if applicable. If a partnership, enter the number of partners; if a corporation, enter the corporation number; if other, please specify (e.g., associations, credit unions, employers/organizations offering service as a benefit to its employees or members, government agencies, Volunteer Income Tax Assistance (VITA)/Tax Counseling for the Elderly (TCE) sites). <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership – Number of Partners _____ <input type="checkbox"/> Corporation – Corp # _____ <input type="checkbox"/> Other (Specify) _____			
	j As owner and/or controller of the business, please check the appropriate box and enter the corresponding number if applicable <input type="checkbox"/> CPA # _____ <input type="checkbox"/> Enrolled Agent # _____ <input type="checkbox"/> Attorney <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Registered Tax Preparer: CTEC # _____ and the Name of the Surety Bonding Company _____			
	k <input type="checkbox"/> Check this box if you will be providing electronic filing and/or tax preparation as a benefit (no charge) and are not using the services to attract customers who will pay for tax preparation or transmission services. <i>Eligible entities include employers offering electronic filing free of charge as a benefit to their employees, government agencies, VITA/TCE sites, etc.</i>			
	l Year round contact representative's name (first, middle, last) _____ Daytime telephone number (area code) (_____) _____ Ext. _____ FAX (include area code) (_____) _____ Internet email address _____		m Alternate contact representative (first, middle, last) _____ Daytime telephone number (area code) (_____) _____ Ext. _____ FAX (include area code) (_____) _____ Internet email address _____	

2 If you are owned or controlled by another electronic filer, provide the name and EFIN of the electronic filer owning or controlling your firm.

Name _____ EFIN _____

3 Please answer the following questions by checking the appropriate box:

- a) Will you or your firm transmit tax return data directly to the Franchise Tax Board (FTB)? ☐ Yes ☐ No

(NOTE: An Electronic Return Originator (ERO) who transmits through a third party is not categorized as a transmitter and should answer "NO" to Question 3a.)

- b) Will you or your firm write electronic filing software? ☐ Yes ☐ No

If "yes," provide the Internet Website address for locating software. _____

- c) Will you or your firm prepare tax returns including form FTB 8453, California Individual Income Tax Declaration for e-file, or collect completed returns including form FTB 8453 for the purpose of filing returns electronically? ☐ Yes ☐ No

4 Has the firm or any corporate officer, partner, owner or responsible official:

- a) Been assessed any California preparer penalties? ☐ Yes ☐ No
- b) Been convicted of a monetary crime? (See instructions on Side 4.) ☐ Yes ☐ No
- c) Failed to file California personal or business tax returns, or pay liabilities? ☐ Yes ☐ No
- d) Been convicted of any criminal offense under the U.S. Internal Revenue or California Revenue and Taxation Codes? ☐ Yes ☐ No

If the answer is yes to any of the above inquiries, attach a written explanation describing all pertinent facts.

Application Agreement

Under penalties of perjury, I declare that I have examined this application and any accompanying information, and to the best of my knowledge and belief it is true, correct, and complete. This firm and its employees will comply with all the provisions of FTB Pub. 1345, e-file Handbook for State of California Individual Income Tax Returns, and related publications, including fraud prevention and detection guidelines for all years of participation. I understand that if this firm is sold or its organizational structure is changed, acceptance for participation is not transferable and a new application must be filed. I agree to retain form FTB 8453, California Individual Income Tax Declaration for e-file, signed by the taxpayer in the form prescribed by the Franchise Tax Board. I further understand that noncompliance will result in the firm or individual no longer being allowed to participate in the program. I am authorized to make and sign this statement on behalf of the firm.

5 Name and title of the firm's official and/or principal owner (type or print)

6 Signature of the firm's official and/or principal owner

7 Date

8 Firm's Organizational Structure (Instructions for Side 1, 1i)

If you are NOT a government agency, VITA/TCE site, or providing electronic filing free of charge, you MUST complete this section. If you are a SOLE PROPRIETOR, list your name, home address, and social security number below. If your firm is a PARTNERSHIP, list the name, home address, and social security number of each partner who has five percent (5%) or more interest in the partnership. If your firm is a CORPORATION, list the name, title, address, and social security number of the President, Vice-President, Secretary, and Treasurer of the corporation. If you are a for-profit entity and have checked other, or you are a partnership and no partners have at least 5% interest in the partnership, list the name, title, home address and social security number of at least one individual authorized to act for the firm in legal and/or tax matters. (If additional space is required, attach a separate sheet.)

Name	Title	Home Address	Social Security Number

9 Drop-Off Collection Points — Complete this section as specified in the instructions on Side 4. If additional space is required, attach a separate sheet.

Name and Address or Drop-off Collection Point _____ _____	Name of Principal Contact: _____ Electronic Filer Identification Number (EFIN) _____	Telephone Number (_____) _____ Does this office operate 12 months of the year? Yes _____ No _____
Name and Address or Drop-off Collection Point _____ _____	Name of Principal Contact: _____ Electronic Filer Identification Number (EFIN) _____	Telephone Number (_____) _____ Does this office operate 12 months of the year? Yes _____ No _____
Name and Address or Drop-off Collection Point _____ _____	Name of Principal Contact: _____ Electronic Filer Identification Number (EFIN) _____	Telephone Number (_____) _____ Does this office operate 12 months of the year? Yes _____ No _____
Name and Address or Drop-off Collection Point _____ _____	Name of Principal Contact: _____ Electronic Filer Identification Number (EFIN) _____	Telephone Number (_____) _____ Does this office operate 12 months of the year? Yes _____ No _____

Instructions for Form FTB 8633

California Application to Participate in the e-file Program

General Information

A When and Where to File

e-file applications are accepted year-round. Send the completed application to:

**ELECTRONIC FILING PROGRAM
FRANCHISE TAX BOARD
PO BOX 1468
SACRAMENTO CA 95812-1468**

Send courier, freight or UPS deliveries to:

**ELECTRONIC FILING PROGRAM
FRANCHISE TAX BOARD
9645 BUTTERFIELD WAY
SACRAMENTO CA 95827**

B Telephone Information

If you have any questions, call the Franchise Tax Board's e-file Help Desk, Monday through Friday, between the hours of 8 a.m. and 5 p.m., Pacific Standard Time.

e-file Help Desk

Phone: (916) 845-0353

FAX: (916) 845-0287

Specific Instructions

- Line 1** – Check the appropriate box.
- Line 1a** – If your firm is a partnership or corporation, write the firm's Federal Employer Identification Number (FEIN).
- Line 1b** – Applicant must be a participant in the IRS e-file Program. California uses the Electronic Filer Identification Number (EFIN) assigned to you by the IRS. The EFIN must be included on the application. If you have multiple EFIN's for IRS purposes, indicate the EFIN you will use for California electronic filing.
- Line 1c** – California uses the Electronic Transmitter Identification Number (ETIN) assigned to you by the IRS. If you are planning to develop electronic filing software or transmit directly to FTB, the ETIN must be included on the application. If you have multiple ETIN's for IRS purposes, indicate the ETIN you will use for California electronic filing.
- Line 1d** – California uses the Service Bureau Identification Number (SBIN) assigned to you by the IRS. If you are a Service Bureau, include your SBIN.
- Line 1e** – If your firm is a sole proprietorship, write the name of the sole proprietor. If your firm is a partnership or corporation, write the name shown on the firm's tax return.
- Line 1f** – If for the purpose of electronic filing, you or your firm are using a name other than the name on line 1e, write that name(s) on this line.
- Line 1g** – Write the permanent mailing address of the firm.
- Line 1h** – Write the physical street address if it is different from the permanent mailing address.
- Line 1i** – Check the box that indicates your firm's organizational structure and complete Side 3 if applicable.

Line 1j – Check the appropriate box and enter the corresponding number if applicable. If you are not a CPA, EA or an attorney, include your CTEC # and the name of the surety bonding company. FTB will not delay your application if your bond is in a pending status. However, please notify FTB with the required bond information upon receipt.

Line 1k – Check this box ONLY if you are providing electronic filing and/or tax preparation as a benefit and are not using the services to attract customers who will pay for tax preparation services. Generally few applicants meet the criteria for checking this box. Eligible entities include employers offering electronic filing as a benefit to their employees, government agencies, VITA/TCE sites, etc.

Lines 1l and 1m – Enter information as required. FTB needs this information in case questions arise during testing or during the processing year.

Line 2 – Provide the name and EFIN of the owning/controlling firm.

Line 3 – Answer Yes or No. Include Website address if applicable.

Line 4 – Answer Yes or No. If Yes, provide an explanation. Monetary crimes include, but are not limited to: money laundering, embezzlement, stock fraud, etc.

Lines 5 and 6 – The person authorized to act and sign for the firm in legal and/or tax matters should complete these lines. **You must provide a live signature.**

Line 8 – Firm's Organizational Structure

Complete this section if you did not check the box on Line 1k, Side 1. If you are not a government agency, VITA/TCE site or providing e-filing free of charge, you **MUST** complete this section.

Line 9 – Drop-Off Collection Points

A drop-off collection point is where taxpayers can deposit their completed tax return, including form FTB 8453, for the purpose of having you file their returns electronically. If you acquire additional drop-off collection points after you file your application, you will need to submit a revised form FTB 8633.

Taxpayer Signature Document

The preparer or electronic return originator is required by law to **retain** form FTB 8453 in the form prescribed by FTB.

DO NOT MAIL FORM FTB 8453 TO FTB.

EXCEPTION: VITA/TCE SITES

Fraud Prevention and Detection

You can play an important role in assuring the integrity of electronically filed returns. You can assist us in fraud prevention and detection by following the guidelines listed in FTB Pub. 1345.

SECTION 4 Acceptance into the California e-file Program

4.1 Acceptance Process

Based on the type of e-file Program participation you apply for, the acceptance process involves different steps:

- ✓ If you are an ERO, service bureau, transmitter, but not a software developer, you must pass a suitability check.
- ✓ If you are a software developer, you must pass Participant Acceptance Testing (PATs).
- ✓ If you transmit returns, you are required to pass both the suitability check and PATs testing.

FTB will send the applicant a letter of acceptance to participate in the taxable year 1999 program after passing the suitability check. However, if PATs testing is needed, the applicant must complete it before receiving or transmitting any “live” e-file returns. After completing PATs testing, FTB will mail the transmitter’s password for live processing.

Accepted e-filers may begin transmitting “live” returns on January 14, 2000.

A Few Words of Caution

- ✓ Transmitters must verify that their software and/or transmission service has been accepted by FTB before transmitting live returns.
- ✓ **Transmitters must not accept electronic returns until they have been assigned a password for “live” processing.**
- ✓ Software developers must inform their clients that they may use only the accepted version of the developer’s software. **Software developers should not distribute their software until they have been officially notified of acceptance by FTB.**

4.2 EFIN, ETIN, SBIN, and Password Assignments

FTB uses the EFIN, ETIN, and SBIN assigned by the IRS for California e-file purposes. Software developers, transmitters or service bureaus with multiple EFINs, ETINs and/or SBINs must use the number assigned by the IRS for transmitting to the IRS Ogden Service Center.

FTB will assign transmitters a password for filing California e-file returns. Software developers will receive a password if they also electronically transmit returns.

4.3 Suitability Check

FTB performs suitability checks on all principals and responsible officials listed on a new or revised application. FTB also performs suitability checks on an annual basis for continuing e-file Program participants. Suitability checks are not performed on software developers who do not perform transmitter services or for VITA/TCE sites.

The purpose of the suitability check is to ensure that:

- ✓ All business entities are valid and licensed;
- ✓ All personal and business tax returns are timely filed; and
- ✓ All liabilities are paid and current.

Until an applicant passes suitability and receives notification of acceptance, they may not accept or transmit returns in the e-file Program. If an applicant is denied, FTB will send a letter explaining the reasons for denial. If an applicant who was denied attempts to submit returns electronically, FTB will reject the transmission.

Listed below are some common reasons why applicants are denied acceptance into the program. The following list is not all-inclusive:

- a. Failure to pass the IRS's suitability check;
- b. Failure to file accurate and timely returns, both business and personal;
- c. Failure to pay any State of California personal or business tax liabilities, penalties or interest;
- d. Conduct of a disreputable nature that would reflect adversely on the program;
- e. Misrepresentation on an application; and
- f. Unethical practices in return preparation.

4.4 Why Perform Participant Acceptance Testing System (PATs)

The purpose of PATs testing is to ensure, prior to "live" processing, that:

- a. Filers transmit in the correct format and meet FTB's e-file specifications;
- b. There are no validation errors in the test scenarios;
- c. Required fields will post to FTB's master file; and
- d. Filers understand and are familiar with the mechanics of e-filing.

4.5 Who Must Test?

If you applied as a software developer, you must successfully transmit all the test scenarios included in FTB Pub. 1436, *Test Package for e-file of Individual Income Tax Returns*, to complete PATs testing.

4.5 Who Must Test? (continued)

All tax electronic return originators, and transmitters, who transmit returns directly to FTB, must transmit five test returns for PATS testing. These tests are provided by the software company.

NOTE: EROs who will not transmit directly to FTB do not need to test.

4.6 What Must Be Tested?

FTB Pub. 1436, *California Franchise Tax Board Test Package for e-file of Individual Income Tax Returns*, contains the test scenarios for PATS testing. A list of any forms not supported by the applicant must be provided to FTB.

NOTE: Transmitters and software developers must use the FTB assigned test password during PATS testing.

4.7 How Do I Test?

The PATS testing process for software developers and transmitters is as follows:

- Step 1: Contact the e-file Help Desk in Sacramento at (916) 845-0353 for initial instructions, which include the phone number and password to use for PATS.
- Step 2: Prepare the test returns as instructed in FTB Pub. 1436.
- Step 3: Transmit the test returns using your software and follow the instructions in FTB Pub. 1436.
- Step 4: After initial validation tests are performed, FTB sends to the transmitter, for each return, an acknowledgment (ACK) file that indicates whether the return is accepted for processing. Any returns identified as defective are rejected.

If formatting or transmission errors are caused by accepted software, you must inform your software developer. Once the software has been corrected, you must retransmit the affected returns.

- Step 5: You will be notified by mail once you have successfully completed PATS testing. Successful completion of PATS testing includes:

- ✓ Accepted test returns; and
- ✓ Transmitter has picked up acknowledgment files.

4.8 When Do I Test?

FTB will begin accepting test transmissions upon release of FTB Pub. 1436. The anticipated release of FTB Pub. 1436 is December 2, 1999. FTB will accept PATS test transmissions for taxable year 1999 through April 30, 2000.

SECTION 5 Responsibilities of e-filers

5.1 Responsibilities of All e-filers

FTB conforms to the IRS Revenue Procedure 98-50, *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*, found in IRS Pub. 1345, Appendix II.

If there is any doubt whether an individual or firm using your services has been accepted by FTB to participate in e-file, contact the e-file Help Desk at (916) 845-0353 for verification.

Any return acknowledged as rejected by FTB will be considered as not filed. In the case of returns that have not been accepted electronically, contact your transmitter or the e-file Help Desk for assistance. Your clients should not contact the e-file Help Desk directly.

Retain the original signed form FTB 8453, *California Individual Income Tax Declaration for e-file*, in a secure manner and provide access to this form if requested by FTB;

Retain copies of all material furnished to the taxpayers. This includes the signed form FTB 8453 with the taxpayers' original signature.

5.2 Advertising Standards

Participants in California's e-file Program shall comply with the advertising standards specified in IRS Pub. 1345. FTB will monitor advertising and practices of EROs for consistency with the IRS requirements as stated in the IRS Revenue Procedure 98-50 *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*, found in IRS Pub. 1345, Appendix II.

NOTE: Use of FTBs name, "Franchise Tax Board" or "FTB," within a firm's name may result in suspension from California's e-file Program.

SECTION 6 Fraud Prevention and Quality Assurance

6.1 General Information

The potential for fraud is a concern both at the federal and state level. FTB is committed to reducing the risk of fraudulent tax returns being filed. You can help prevent and detect fraud by:

- ✓ Verifying the identity of new clientele;
- ✓ Questioning W-2's that seem suspicious;
- ✓ Identifying return information that is similar, such as refund amounts, number of dependents, and number of W-2s; and
- ✓ Questioning refunds that are directed to the same address or post office box.

Prior to preparing returns or accepting returns for electronic transmission, two pieces of identification from all new clientele should be reviewed by the ERO. One form of identification should include a picture reflecting at least the individual's name and the current address. The second must include the same name and the social security number the individual is using to file the tax return. Examples are as follows:

- a. Acceptable picture identification might include the following:
 - ✓ Valid driver's license;
 - ✓ Employment identification; or
 - ✓ Military identification.
- b. The second piece of identification might include:
 - ✓ Social security card;
 - ✓ FTB label from the taxpayer's tax booklet;
 - ✓ Work pay stub;
 - ✓ Voter registration card; or
 - ✓ Credit card.
- c. It is also suggested that a copy of this information be retained in your files through December 31 of the processing year.

FTB's staff conducts site visits to EROs and transmitters who are participating in FTB's e-file Program.

6.2 Monitoring

FTB monitors advertising and other practices of electronic filers. If the situation warrants, FTB will issue a warning letter describing specific corrective action for deviations from advertising standards, or other practices. If the deviation is not corrected, FTB will issue a letter of suspension and notify the IRS. In extreme cases, a filer can be suspended immediately from the program without a warning letter. The suspension will remain in effect until FTB has determined that the deviations have been corrected.

FTB monitors the quality of transmissions and returns throughout the filing season. If the quality is unacceptable, FTB will contact the electronic filer and may issue a warning or, in extreme cases, a letter of suspension from California's e-file Program.

FTB also researches complaints about electronic filers and issues warning or suspension letters as appropriate.

6.3 Suspension

FTB reserves the right to suspend the electronic filing privilege of any e-filer who violates any provision of the requirements, specifications, and procedures stated in the electronic filing procedures or who does not consistently transmit error-free returns. The following reasons could lead to a warning letter and/or suspension of an e-filer from the e-file Program. This list is not all-inclusive:

- a. Conviction of any criminal offense arising from a violation of California tax statutes or revenue laws of the United States, or any offense involving dishonesty, or breach of trust;
- b. Non-compliance with the provisions of the California Business and Professions Code §22250-22259 (Tax Preparer Act).
- c. Failure to file timely and accurate returns, both business and personal;
- d. Failure to pay personal or business tax liabilities;
- e. Assessment of penalties under any of California's tax statutes;
- f. Suspension/disbarment from practice before the IRS;
- g. Other facts or conduct of a disreputable nature that would adversely reflect on the program;
- h. Misrepresentation on an application;
- i. Unacceptable format quality of individual transmissions;
- j. Unacceptable error rate;
- k. Violation of advertising standards;
- l. Unethical practices in return preparation;

6.3 Suspension (continued)

- m. Stockpiling returns prior to official acceptance into California's e-file program, or at any time while participating in California's e-file program;
- n. Failure of transmitters to provide preparer clients with acknowledgment files within 48 hours of receipt from FTB;
- o. Significant complaints about an e-filer;
- p. Misuse of an e-filer's EFIN or ETIN; and
- q. Practices inconsistent with FTB's recommendations revealed during site visits.

6.4 Site Visits

FTB staff conducts site visits to ERO offices during the filing season to ensure that EROs are following the requirements of FTB Pub. 1345. EROs may be asked to:

- a. Produce the original signed form(s) FTB 8453 for returns that were electronically filed;
- b. Demonstrate that form(s) FTB 8453 are being stored in a secure manner;
- c. Produce any e-file documentation that should be maintained for the entire filing season;
- d. Demonstrate that copies of taxpayer returns are maintained if the ERO is also the tax preparer;
- e. Produce a letter of acceptance into California's e-file Program; and
- f. Produce a \$5,000 surety bond and a Letter of Compliance from the California Tax Education Council (CTEC). *To contact CTEC toll free: (877) 850-2832. To Fax CTEC toll free: (877) 851-2832. To visit their web site: www.ctec.org.*

6.5 To Contact the Fraud Unit

Direct questions regarding fraud prevention and comments or suggestions regarding this section to:

David A. Hill, CFE
Franchise Tax Board, Fraud Unit
P.O. Box 1468, MS A-2
Sacramento, CA 95812-1468

Phone: (916) 845-5525
FAX: (916) 845-0716
Email: david_hill@ftb.ca.gov

SECTION 7 Filing an Electronic Return

7.1 Composition of the Electronic Return

A return filed in the California e-file program is a combination of electronically transmitted data and paper documents. The paper portion of the return consists of form FTB 8453, *California Individual Income Tax Declaration for e-file*, and other paper documents that cannot be electronically transmitted, but are retained by the ERO. Returns transmitted electronically have the exact same reporting requirements as paper returns. This means that all the information, forms, schedules, supporting documentation, and signatures that would be included in a paper return filing must be contained in either the electronic return data or attached to the form FTB 8453.

7.2 Assembling the Paper Portion of the Return

Form FTB 8453, *California Individual Income Tax Declaration for e-file*, is the form used by taxpayers to sign an e-file return. Tax return preparers and EROs must also sign form FTB 8453. Attach paper forms and supporting documentation that are not included with the electronic return data to form FTB 8453 to complete an e-file return. Although you are not required to retain copies of Forms W-2, W-2G, or 1099-R and other attachments, such as proof of blindness certification, with form FTB 8453, it is suggested that you retain these documents in the event FTB asks you to provide copies. For more information on retention of form FTB 8453, see Section 8.2, on page 30.

7.3 Substitute Forms

Use only the official form or an approved substitute form that duplicates the official form in format, language, content, and size. EROs should make sure the e-file software used produces FTB approved substitute forms. Ask your software developer for a copy of their FTB approval letter for the form you are interested in.

Software developers who use substitute tax forms must get written approval from FTB. Software developers must submit the forms and schedules that require FTB approval to:

**Attn: Tax Forms Development and Distribution Section/Lynda Rush
Franchise Tax Board
PO Box 1468, MS B-5
Sacramento, CA 95812-1468**

7.3 Substitute Forms (continued)

Send courier, freight or UPS deliveries to:

Attn: Tax Forms Development and Distribution Section/Lynda Rush
Franchise Tax Board
9645 Butterfield Way, MS B-5
Sacramento, CA 95827

For more information, call Lynda Rush, Substitute Forms Program Administrator, at (916) 845-3553.

7.4 Returns Not Eligible to be Filed Electronically

The following returns are excluded from e-file:

- a. Returns from individuals or firms who have not been accepted as a participant in California's e-file Program;
- b. Decedent returns, including joint returns filed by surviving spouses;
- c. Returns that include IRS Form 4852, *Substitute for Form W-2, Wage and Tax Statement*, or California form FTB 3525, *Substitute for Form W-2, Wage and Tax Statement*, or any other substitute wage and tax statement used to verify withholding;
- d. Returns with a filing status of married filing separate;
- e. Amended returns;
- f. Prior year returns;
- g. Returns with dollars and cents entries;
- h. Returns for taxpayers with foreign addresses (APO and FPO are allowed);
- i. Returns for primary or secondary taxpayers whose social security numbers are all zeros;
- j. Returns containing forms or schedules not listed in the current year FTB Pub. 1345, *1999 e-file Handbook for Electronic Return Originators of California Individual Income Tax Returns*. See Section 7.5, Acceptable Forms for e-file.

7.5 Acceptable Forms for e-file

The following chart lists the acceptable forms and schedules that can be electronically filed with FTB and the maximum number of each type of form or schedule allowed per return.

Form/ Schedules	Max. # per return	Title
Form 540	1	California Resident Income Tax Return
Form 540A	1	California Resident Income Tax Return
Form 540EZ	1	California Resident Income Tax Return for Single and Joint Filers With No Dependents
Form 540NR	1	California Nonresident or Part-Year Resident Income Tax Return 1999
Form 540 2EZ	1	California Resident Income Tax Return
Form W-2	20	Wage and Tax Statement
Form W-2G	30	Certain Gambling Winnings
Form 1099-R	10	Distribution From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRA's, Insurance Contracts, etc.
Schedule CA (540)	1	California Adjustments
Form FTB 3885A	5	Depreciation and Amortization Adjustments - Individuals
Schedule D (540)	1	Capital Gains and Losses
Schedule CA (540NR)	1	California Adjustments - Nonresidents or Part-Year Residents
Schedule D-1	1	Sales of Business Property
Schedule G-1	1 per t/p	Tax on Lump Sum Distributions
Form 1540e/ Schedule HOH	1	Head of Household Attachment Worksheet
Schedule P (540)	1	Alternative Minimum Tax and Credit Limitations - Residents
Schedule P (540NR)	1	Alternative Minimum Tax and Credit Limitations - Nonresidents or Part-Year Residents
Form FTB 3501	1	Employer Child Care Program/Contribution Credit
Form FTB 3507	1	Prison Inmate Labor Credit
Form FTB 3521	1	Low Income Housing Credit
Form FTB 3526	1	Investment Interest Expense Deduction
Form FTB 3535	1	Manufacturers' Investment Credit
Form FTB 3540	1	Credit Carryover Summary
Form FTB 3546	1	Enhanced Oil Recovery Credit
Form FTB 3547	1	Donated Agricultural Products Transportation Credit
Form FTB 3548	1	Disabled Access Credit For Eligible Small Businesses

7.5 Acceptable Forms for e-file (continued)

Form/ Schedules	Max. # per return	Title
Form FTB 3553	1	Enterprise Zone Employee Credit
Form FTB 3800	1	Tax Computation for Children With Investment Income
Form FTB 3801	1	Passive Activity Loss Limitations
Form FTB 3801-CR	1	Passive Activity Credit Limitations
Form FTB 3803	3	Parent's Election to Report Child's Interest and Dividends
Form FTB 3805E	3	Installment Sale Income
Form FTB 3805P	1 per t/p	Return for Additional Tax Attributable to Qualified Retirement Plans (Including IRAs), Annuities and Modified Endowment Contracts
Form FTB 3805V	1	Net Operating Loss (NOL) Computations and NOL and Disaster Loss Limitations - Individuals, Estates and Trusts
Form FTB 3805Z	3	Enterprise Zone Deduction and Credit Summary
Form FTB 5805	1	Underpayment of Estimated Tax by Individuals and Fiduciaries
Form FTB 5805F	1	Underpayment of Estimated Tax by Farmers and Fishermen
Form FTB 5870A	1 per t/p	Tax on Accumulation Distribution of Trusts

SECTION 8 Reconciling the Electronic Data with Form FTB 8453

8.1 General Information

Form FTB 8453, *California Individual Income Tax Declaration for e-file*, is the signature document for an electronic return. It must be completed and signed by all the appropriate parties before the return is transmitted electronically. Missing, incomplete or erroneous forms will lead to suspension from California's e-file Program. Do not use IRS Form 8453 for California e-filing purposes. The federal and state forms are **NOT** interchangeable. Please do not mail California's form FTB 8453 to the IRS.

Form FTB 8453 serves the following purposes:

- a. Authenticates the return;
- b. Authorizes the ERO to file the return on the taxpayer's behalf;
- c. Authorizes the ERO to transmit the tax return electronically to FTB either directly or through a third-party transmitter;
- d. Provides the taxpayer's written consent to have their refund directly deposited or their tax payment debited from their financial institution as designated on form FTB 8453, Part II;
- e. Authorizes FTB to inform the taxpayer's ERO or transmitter that the taxpayer's return has been accepted or rejected and when rejected, to identify the reason(s) for rejection;
- f. Authorizes FTB to inform the taxpayer's ERO or transmitter of the reason(s) for return processing delays or when the refund was sent; and
- g. Reminds taxpayers filing balance due returns of their liability for paying taxes, and if applicable, any interest and penalties.

NOTE: The ERO must provide the taxpayer with a copy of form FTB 8453, the original Forms W-2, W-2G, and 1099-R and a paper copy of Form 540, 540A, 540EZ, 540NR, or 540 2EZ showing the electronic data transmitted to FTB.

8.2 Retention of Form FTB 8453

Form(s) FTB 8453 must be retained by the ERO at their place of business for four years from the due date of the return (California tax returns for 1999 have an automatic extension to file to October 16, 2000 and must be retained by the ERO until October 15, 2004). **DO NOT SEND FORM FTB 8453 TO THE FRANCHISE TAX BOARD.** Please notify your clients not to send form FTB 8453 to FTB. EROs are required to produce the original form FTB 8453 upon request from FTB.

Failure to maintain form(s) FTB 8453 as required, will result in immediate suspension from California's e-file Program.

NOTE: ANY ERO NO LONGER DOING BUSINESS must send the original form(s) FTB 8453 to FTB or provide access to the form(s) for a period of four (4) years from the due date of the return. The ERO is responsible for all costs associated with the handling and shipping of these documents to FTB.

If you are a VITA/TCE Site, you may send all form(s) FTB 8453 for storage at FTB. Mail form(s) FTB 8453s to:

**e-file Program
Franchise Tax Board
VITA/TCE Documents
PO Box 1468
Sacramento, CA 95812-1468**

8.3 Disclosure of Electronic Return Information

An ERO shall not disclose or use any tax return information for a purpose other than preparing, assisting in preparing, or obtaining or providing services in connection with the preparation of tax returns. Disclosure among accepted participants in California's e-file Program for the purpose of preparing the return information is permissible. For example, it is permissible for an ERO to pass on tax return information to a transmitter for the purpose of having an electronic return formatted and transmitted to FTB. However, the return information may not be disclosed or used in any other way.

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TAXABLE YEAR

FORM

1999**California Individual Income Tax Declaration for e-file****8453****USE
LABEL****Otherwise
please print
or type**

Your first name and initial		Last name		Your social security number	
If joint return, also give spouse's name and initial		Last name		Spouse's social security number	
Present home address — number and street including PO Box or rural route		Apt. no.	PMB no.	Daytime telephone number ()	
City, town or post office, state and ZIP Code					

Part I Tax Return Information

1 Refund. (Form 540, line 61; Form 540A, line 35; Form 540EZ, line 35; Form 540 2EZ, line 20; or Form 540NR, line 70)	1 _____
2 Amount you owe (Form 540, line 62; Form 540A, line 36; Form 540EZ, line 36; Form 540 2EZ, line 21; or Form 540NR, line 71)	2 _____
2a Amount to be automatically withdrawn	2a _____
2b Date of the automatic withdrawal	2b (MM/DD/YY) _____ / _____ / _____

Part II Direct Deposit or Automatic Withdrawal

3 Routing number	<input type="text"/>	The first two digits of the routing number must be 01 through 12 or 21 through 32.
4 Account number	<input type="text"/>	
5 Type of account:	<input type="checkbox"/> Checking <input type="checkbox"/> Savings	



Part III Declaration of Taxpayer

I consent that my refund be directly deposited or my payment due be automatically withdrawn as designated in Part II. If I have filed a joint return, this is an irrevocable appointment of the other spouse as an agent to receive the refund or authorize an automatic withdrawal.

Under penalties of perjury, I declare that the information I provided to my electronic return originator (ERO) or transmitter, including my address and social security number, and the amounts shown in Part I above, agrees with the information and amounts shown on the corresponding lines of my 1999 California income tax return. To the best of my knowledge and belief, my return is true, correct, and complete. If I filed a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of my tax liability, I remain liable for the tax liability and all applicable interest and penalties. I consent that my return and accompanying schedules and statements be transmitted to the FTB by my ERO or transmitter. **If the processing of my return or refund is delayed, I authorize the FTB to disclose to my ERO and/or the transmitter the reason(s) for the delay or the date when the refund was sent.**

**Sign
Here**

It is unlawful
to forge a
spouse's
signature.



	_____ Your signature	_____ Date		_____ Spouse's signature. If filing joint, both must sign.	_____ Date
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For Privacy Act Notice, get form FTB 1131

Part IV Declaration of Electronic Return Originator (ERO) and Paid Preparer. See instructions.



I declare that I have reviewed the above taxpayer's return and that the entries on form FTB 8453 are complete and correct to the best of my knowledge. If I am only a collector, I understand that I am not responsible for reviewing the taxpayer's return. I declare, however, that form FTB 8453 accurately reflects the data on the return. I have obtained the taxpayer's signature on form FTB 8453 before transmitting this return to the FTB; I have provided the taxpayer with a copy of all forms and information to be filed with the FTB and I have followed all other requirements described in FTB Pub. 1345, e-file Handbook for State of California Individual Income Tax Returns. I will keep form FTB 8453 on file for 4 years from the due date of the return and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

**ERO's
Use
Only**

ERO's signature 	Date	Check if also paid preparer <input type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN/PTIN
Firm's name (or yours if self-employed) and address 	FEIN			
				ZIP Code

Under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

**Paid
Preparer's
Use Only**

Paid preparer's signature 	Date	Check if self-employed <input type="checkbox"/>	Paid preparer's SSN/PTIN
Firm's name (or yours if self-employed) and address 	FEIN		
		ZIP Code	

Instructions for Form FTB 8453

California Individual Income Tax Declaration for e-file

General Information

What's New for 1999?

Private Mailbox (PMB) Numbers – If you lease a mailbox from a private business rather than from the United States Postal Service enter the box number in the special field labeled “PMB no.” in the address area of form FTB 8453.

Practitioner Tax Identification Number (PTIN) – Tax preparers now have the option of using a unique identification number (PTIN) instead of their social security number when signing individuals’ tax returns.

Paying Your Taxes

Your tax return is due on April 17, 2000. If you owe tax it must be paid by April 17, 2000, to avoid penalties and interest. If you choose to file your balance due return electronically, your Electronic Return Originator (ERO) or on-line service provider will give you a completed form FTB 3582, Payment Voucher for Electronically Transmitted Returns.

- **Pay by automatic withdrawal:** You can have your balance due automatically withdrawn from your checking or savings account. See Part II.
- **Pay by check or money order:** Mail form FTB 3582 with your check or money order to the Franchise Tax Board using the address printed on the voucher.
- **Pay by credit card:** You can use your Discover/NOVUS, MasterCard, or American Express card to pay your tax. You will be charged a fee for this service. If you pay by credit card, do not mail the voucher (form FTB 3582) to the Franchise Tax Board (FTB). Call (888) 272-9829, or visit the website: www.8882paytax.com

A Purpose of Form FTB 8453

Taxpayers who file on-line and EROs use form FTB 8453 as an authorization to transmit the tax return electronically to the FTB either directly or through a transmitter. The form also serves as a record of filing an electronic return and the ERO or taxpayer should retain the form FTB 8453 for 4 years from the due date of the return. **DO NOT MAIL FORM FTB 8453 TO THE FTB.**

B Taxpayer Responsibilities

Taxpayer(s) that use an ERO must:

- Verify all information on the form FTB 8453, including social security number;
- Inspect the paper copy of the return and ensure the information is correct; and
- **Sign form FTB 8453 after the return has been prepared but before it is transmitted.**

Taxpayer(s) that file on-line must retain the following documents for 4 years from the due date of the return and make them available to the FTB upon request:

- Original form FTB 8453;
- Original Form(s) W-2, W-2G, and 1099R; and
- A paper copy of Form 540, Form 540A, Form 540EZ, Form 540 2EZ, or Form 540NR showing the data transmitted to the FTB.

C ERO Responsibilities

The ERO must do all of the following:

- Obtain taxpayer's signature;
- Provide taxpayer(s) with:
 1. A copy of form FTB 8453;
 2. Form(s) W-2, W-2G, and 1099R; and
 3. A print out of a completed Form 540, Form 540A, Form 540EZ, Form 540 2EZ, or Form 540NR.
- Retain the original signed form FTB 8453 for 4 years from the due date of the return.

Specific Instructions

Declaration Control Number (DCN)

The DCN is a unique 14-digit number assigned by the software program to each taxpayer's return. The DCN must be entered in the boxes at the top of form FTB 8453.

Entity Information

Enter the taxpayer's name, address, and social security number (SSN) in the spaces provided. If filing a joint return, include spouse's name and SSN.

Part I – Tax Return Information

Enter only whole dollar amounts. The amounts entered must be the same as reported on the electronically filed return.

Line 2a – Enter the amount to be withdrawn from taxpayer(s) account.

Line 2b – Enter the date the automatic withdrawal is to take place.

Part II – Direct Deposit or Automatic Withdrawal

Enrollment in direct deposit/automatic withdrawal is voluntary and applies only to the current year. Taxpayers who want their refunds directly deposited or their payment automatically withdrawn from their account with a bank or other financial institution must complete Part II. Taxpayers should use a check, use a statement, or call their financial institution to verify the routing number and account number.

Line 3 – The routing number must be nine digits and begin with 01 through 12 or 21 through 32.

Line 4 – The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. If fewer than 17 characters, enter the number from left to right and leave the unused boxes blank.



Do not use a deposit slip as it may contain internal routing numbers.

To cancel the automatic withdrawal process, taxpayers must call the FTB at (916) 845-0353 two working days before the date of the withdrawal.

FTB is not responsible when a financial institution rejects a direct deposit or automatic withdrawal transaction. If the bank or financial institution rejects the direct deposit due to an error in the routing number or account number, a paper check will be issued.

If the bank or financial institution rejects the automatic withdrawal due to an error in the routing number or account number, the taxpayer(s) will receive a notice from the FTB that may include penalties and interest.

Part III – Declaration of Taxpayer

An electronically transmitted tax return will not be considered complete or filed unless form FTB 8453 is signed by the taxpayer(s) before the electronic return is transmitted to the FTB.

Part IV – Declaration of Electronic Return Originator (ERO) and Paid Preparer

The ERO must sign and complete this part.

Only handwritten signatures are acceptable. If the ERO is also the paid preparer, the ERO must check the box labeled “Check if also paid preparer.”

If the paid preparer is not the ERO, the paid preparer must sign in the space for “Paid Preparer’s Use Only.”

Refund Information

To find out about your tax refund, call the FTB’s automated toll-free telephone service at (800) 338-0505. You will need your social security number, the numbers in your street address, box number or route number, and your ZIP Code to use this service. Refund information is available 24 hours a day, 7 days a week.

Assistance for Persons with Disabilities

The Franchise Tax Board complies with the provisions of the Americans with Disabilities Act. For persons with hearing or speech impairment, call:

From voice phone: (California Relay Service) (800) 735-2922
From TTY/TDD: (Direct line to FTB customer service) (800) 822-6258
For all other assistance or special accommodations, call (800) 852-5711

SECTION 9 Refund Returns and Direct Deposit of Refund (DDR)

9.1 Refund Returns

When taxpayers are entitled to a refund, EROs must inform them that they have several options. Taxpayers can elect to have their overpaid taxes:

- a. Applied to next year's estimated tax;
- b. Directly deposited into their financial institution account (DDR);
- c. Issued to them in the form of a paper check; or
- d. Split so that some is applied to next year's estimated tax and the remainder is refunded by DDR or paper check.

9.2 DDR - General Information

Taxpayers often elect DDR because it is the fastest, most convenient way to receive a refund, usually within 5 to 7 banking days. Refunds are directly deposited into the taxpayer's financial institution account. It reduces the risk of loss, and allows immediate use of the funds. These transfers are handled by the State Controller's Office (SCO).

For the purpose of DDR, a financial institution is defined as a state or national bank, savings and loan association, mutual savings bank, or credit union. "State" includes all states of the United States and their political subdivisions, and the District of Columbia.

FTB does not guarantee a specific date that a refund will be deposited into a taxpayer's financial institution account, and will not issue written notices to taxpayers to confirm DDRs.

Neither FTB nor SCO is responsible for the misapplication of a DDR that is caused by error, negligence, or malfeasance on the part of the taxpayer, ERO, financial institution, or any of their agents. FTB follows the guidelines for DDR in the IRS Revenue Procedure 98-50, *Requirements of Participants in the IRS e-file Program for Form 1040, U.S. Individual Income Tax Return*, found in IRS Pub. 1345, Appendix II.

Taxpayers must submit a separate request each year that a DDR is desired. Election of a DDR is voluntary and applies only to the current year. No prior approval from financial institutions is necessary. The taxpayer or e-filer should, however, contact the institution to resolve uncertainties about its DDR capability, or "payable through" status.

9.3 DDR Eligibility Requirements

The account must be a checking, share draft, savings or other consumer asset account (e.g., an IRA or money market account) held by a financial institution within the United States and established primarily for personal, family or household purposes. It may not be a credit card account. Only financial institutions, as defined, may be designated to receive DDRs.

9.3 DDR Eligibility Requirements (continued)

Some financial institutions may not accept “payable through” routing numbers for DDR. A check or share draft that is “payable through” another financial institution may cause problems, because it shows the routing number of the “payable through” financial institution rather than that of the institution where the account is located.

The taxpayer or the e-filer should verify the routing number by contacting the financial institution responsible for the taxpayer’s account. Some financial institutions use a different routing number for electronic transactions. Failure to verify the routing number may result in the refund being sent to the wrong financial institution. This will result in a returned DDR item, which may delay the refund. The refund will then be reissued as a paper check and mailed to the taxpayer’s address as shown on the tax return.

The account designated to receive the DDR must be in the taxpayer’s name.

Caution: Some financial institutions do not permit the deposit of a joint refund into an individual account. FTB is not responsible for a financial institution’s refusal to accept a DDR for this reason. If necessary, verify the financial institutions policy prior to filing.

9.4 DDR Responsibilities

An ERO must:

- a. Ensure that the taxpayer is aware of all general information regarding a DDR request;
- b. Not charge a separate fee for DDR;
- c. Accept any DDR elections to any eligible financial institution designated by the taxpayer;
- d. Ensure that taxpayers electing DDR meet the eligibility requirements;
- e. Verify that the DDR information on form FTB 8453, Part II is correct and is the information transmitted with the electronic portion of the return;
- f. Tell the taxpayer that once their electronic return has been accepted for processing by FTB:
 - ✓ The DDR election cannot be rescinded;
 - ✓ The routing number of the financial institution cannot be changed; and
 - ✓ The taxpayer’s account number cannot be changed.

9.4 DDR Responsibilities (continued)

- g. Advise the taxpayer of the procedure to be followed if there is a need to contact FTB regarding a DDR request. The taxpayer may call our automated toll free phone service number at (800) 338-0505. The taxpayer may also obtain the status of their refund by:

- ✓ accessing FTB's refund status page located on the Internet at:
www.ftb.ca.gov/refund

9.5 Identifying the Banking Information

For taxpayers who elect DDR, complete form FTB 8453, Part II, line 3 through line 5 (Section 8.4, page 31):

- ✓ Line 3, Routing number: The first two digits of the routing number must be 01 through 12 **or** 21 through 32.
- ✓ Line 4, Account number: The account number may contain up to 17 positions of alpha or numeric data. If it contains fewer than 17, left-justify it in the field and leave the remaining boxes blank. Include hyphens, but omit spaces and other special characters.
- ✓ Line 5, Type of account: Mark the box for either checking or savings.

Example:

The diagram shows a check with the following details and annotations:

- Payee:** John Doe, Mary Doe, 1234 Main Street, Anytown, CA 99999.
- Amount:** 1234 (with a handwritten "15-0000/0000" next to it).
- Pay to the order of:** A blank line.
- Bank:** ANYTOWN BANK, Anytown, CA 99999.
- Routing number:** 1250250025 (circled, with an arrow pointing to the "19" line on the check).
- Account number:** 1202020 (circled, with an arrow pointing to the "15-0000/0000" line on the check).
- Check number:** 1234 (circled, with an arrow pointing to the "1234" line on the check).
- Annotations:** "Do not include the check number" (boxed) and "DOLLARS" (written).

9.6 DDR Processing

After returns are accepted and forwarded to FTB's main frame computer, the DDR request may be disallowed for one of the following reasons:

- a. More than two DDR requests to the same account;
- b. The taxpayer or spouse has a refund offset; or
- c. The refund amount requested is different from the refund amount computed by FTB.

If the DDR request is denied, the taxpayer will receive a paper check for any refund due and a notice explaining why the DDR request was denied.

9.7 Refund Delays

The following conditions may delay refunds or change refund amounts;

- a. Taxpayer owes individual back taxes (refund offset);
- b. Taxpayer owes delinquent child support (refund offset);
- c. Taxpayer has certain delinquent federal debts, such as student loans, etc. (refund offset);
- d. Estimated tax payments reported on the return do not match the estimated tax payments recorded on FTB's master file. This may occur when a taxpayer and spouse made separate payments and filed a joint return or when the return was posted before the last estimate payment was credited to the taxpayer's account;
- e. Depositor Account Number on a DDR request is incorrect or for a closed account.

SECTION 10 Balance Due Returns and Electronic Payment Options

10.1 General Information

Taxpayers who owe additional tax must pay the balance due by April 17 to avoid interest and penalties. EROs must inform taxpayers of their obligation and options for paying the balance due.

10.2 Payment Options

Payments may be made using:

- ✓ Automatic Withdrawal
- ✓ Paper Check
- ✓ Credit Card

Automatic Withdrawal

Taxpayers specify the bank account from which they wish to have the balance paid and the date on which the debit will be made on form FTB 8453 Part I & II (See page 31, Section 8.4). This allows taxpayers to pay the balance as soon as the return is processed or delay it to a future date, not later than the payment due date of April 17, 2000. FTB will accept automatic withdrawal requests until the extension due date of October 16, 2000. Payments made after April 17, 2000 may result in penalties and interest being added to the tax due.

NOTE: To cancel the automatic withdrawal process, taxpayers must call the e-file Help Desk at (916) 845-0353 at least *two working days before the date of the withdrawal*.

Paper Check

The ERO must furnish the taxpayer with a completed form FTB 3582, *Payment Voucher for Electronically Transmitted Returns*, (See page 39). This form must be provided to the taxpayer after the return is verified but prior to transmission. The SSN, name, and address information contained on form FTB 3582 should be the same information that was electronically transmitted by the ERO, and it should match the information printed on the paper copy of their tax return form 540, 540A, 540EZ, 540NR, or 540 2EZ. Erroneous information may result in a payment being applied incorrectly.

If the amount paid differs from the amount printed on form FTB 3582, the taxpayer should line through the pre-printed amount and write in the amount paid.

Pay Your Taxes By Credit Card

You can use your Discover/NOVUS, MasterCard, or American Express card to pay your personal income taxes. You may pay the balance due or make an extension payment for your 1999 return, pay estimated taxes for 2000, or pay amounts owed for prior years.



There is a convenience fee for this service. This fee is paid directly to Official Payments Corporation for the use of this automated service. The convenience fees are subject to change without notice.

FEE CHART

Amount Charged	Taxpayer Convenience Fee
\$ 1 - 99.99	\$ 3
100 - 199.99	6
200 - 399.99	11
400 - 599.99	16
600 - 799.99	21
800 - 999.99	25
1,000 - 1,399.99	35
1,400 - 1,999.99	49
2,000 - 2,699.99	68
2,700 - 3,499.99	87
3,500 - 4,399.99	109
4,400 - 5,399.99	133
5,400 - and up	Call for a quote: (888) 272-9829 (ext. 1555)

When will my payment be posted?

Your payment will be effective on the date you charged it.

What happens if I change my mind?

If you pay your tax liability by credit card and then subsequently reverse the credit card transaction, you may be subject to penalties, interest, and other fees imposed by the Franchise Tax Board for nonpayment or late payment of your tax liability.

How do I use my credit card to pay my income tax bill?

Once you have determined how much you owe:

- Have your Discover/NOVUS, MasterCard, or American Express card ready;
- Complete lines 1 through 8;
- Use your touch-tone telephone to call toll-free (888) 2PAY-TAX or (888) 272-9829. Use jurisdiction code 1555, and follow the recorded instructions;

OR

- Go to the Official Payments Corporation website at: **www.8882paytax.com**, select payment center, and enter jurisdiction code 1555.

Assistance for persons with disabilities.

If you have a hearing or speech impairment, call TTY/TDD: (800) 735-2929 (California Relay Service). For all other special assistance, call (800) 487-4567, and select "0," for customer assistance, Monday through Friday, 9 a.m. to 5 p.m.

1. Amount you are paying:

\$ _____, _____.

2. Your social security number:

_____ - _____ - _____

Your spouse's social security number:

_____ - _____ - _____

3. The first 4 letters of your last name:

The first 4 letters of spouse's last name (if different):

4. The amount you are paying is for what tax year?

5. Home telephone number:

(_____) _____ - _____

6. Credit card number:

7. Credit card expiration date (MM/YYYY):

____ / ____

8. ZIP Code for address where your credit card bills are sent:

At the end of your call, you will be given a payment confirmation number. You may make multiple credit card payments throughout the year. You may use the following chart to save the payment confirmation number(s) for your records.

Date:	Payment Confirmation No.	Type*

* **Payment Types:** **RT**-return payment; **EX**-extension payment; **ES**-estimated tax payment; **BILL**-bill payment.

Keep this page for your records.

Instructions for Form FTB 3582

Electronically Transmitted Returns

General Information

The Franchise Tax Board (FTB) accepts refund and balance due electronically filed state tax returns, such as returns filed by an Electronic Return Originator (ERO) or from home using an on-line service provider. If you choose to file a balance due return electronically, you will receive a completed form FTB 3582, Payment Voucher for Electronically Transmitted Returns, from the ERO or on-line service provider along with your paper copy of Form 540, Form 540A, Form 540EZ, Form 540 2EZ, or Form 540NR. If you need additional copies, you (or your transmitter) may download blank California tax forms from the FTB website at: www.ftb.ca.gov

Private Mailbox (PMB) Numbers

If you lease a mailbox from a private business rather than from the United States Postal Service, enter your PMB number in the special field labeled "PMB no."

Purpose

Use this form only if you:

- Filed your return electronically, and
- Owe tax.

General Instructions

Did your ERO or on-line service provider give you a completed form FTB 3582?

Yes. Go to number 1. **No.** Go to number 2.

1. Verify that the following information is correct before you write your check or money order:

- Name(s);
- Address;
- Social security number(s); and
- Amount of payment.

If you need to make a change, draw a line in ink through the incorrect information and clearly print the new information. Then go to number 3.

2. If you have a balance due complete the voucher at the bottom of this page. Print your name(s), address, social security number(s), and amount of payment in the space provided. Print all names and words in CAPITAL LETTERS.

Use black or blue ballpoint pen. Scanning machines may not be able to read other colors of ink or pencil. Verify that the following information is complete:

- Name(s);
- Address;
- Social security number(s); and
- Amount of payment.

The information on form FTB 3582 should match the information that was electronically transmitted by your ERO or on-line service provider and the information printed on the paper copy of your 1999 Form 540, Form 540A, Form 540EZ, Form 540 2EZ, or Form 540NR.

3. Make your check or money order payable to "Franchise Tax Board." Write your social security number(s), tax year (1999), and form number (540, 540A, 540EZ, 540 2EZ, or 540NR) on your check or money order.

4. Detach the payment voucher from the bottom of this page.

Mail your check or money order and form FTB 3582 to:

FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0008

Note: Do not send the paper copy of your tax return to the FTB. Keep it for your records.

When to Make Your Payment

If you owe tax on your 1999 return, send form FTB 3582 to the FTB with your payment for the full amount by April 17, 2000.

Pay as much as you can when you mail in this payment voucher. If you cannot pay the full amount you owe by April 17, 2000, you may request to make monthly payments by getting and filing form FTB 3567, Installment Agreement Request. To order this form use the Internet address listed in General Information or call (800) 338-0505, select ordering personal income tax forms, then tax forms request and enter code **949**.

Penalties and Interest

If you fail to pay the full amount you owe by April 17, 2000, a late payment penalty and interest will be added to your tax due.

DETACH HERE

TAXABLE YEAR

1999

Payment Voucher for Electronically Transmitted Returns

CALIFORNIA FORM

3582 (e-file)

Your full name	Initial	Last name	Your social security number
If joint payment, spouse's first name		Initial	Spouse's last name if different from yours
Present home address – number and street including PO Box or rural route		Apt. no.	PMB no.
City, town or post office		State	ZIP Code

IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM.

MAIL TO: FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0008

Amount of payment

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(Calendar year — Due April 17, 2000)

For Privacy Act Notice, get form FTB 1131.

358299103

FTB 3582 1999

SECTION 11 Keying Instructions

FTB has specific guidelines for data entering name and address information that are different from the guidelines used by the IRS. Following are guidelines to use when preparing returns for electronic transmission.

- a. Use no punctuation or symbols, unless specifically allowed.

NOTE: If a fraction is part of the street address, enter a forward slash (/). This is the only symbol that may be used in the entity portion of the return.

- b. Never space in the Name Control field, Taxpayer First Name field or Spouse First Name field.
- c. Do not include titles or ranks such as DR, MD, ENSIGN, SGT. etc.
- d. Use Roman Numerals (I, II, IV) for numeric suffixes in the last name field.
- e. Never space in the last name field except for JR, SR, II etc.
- f. Use standard abbreviations for the suffix of the street name. See Section 12, Standard Abbreviations.
- g. PMB - Enter the PMB in the Additional Address field. If the Additional Address field has other information, enter the PMB at the end of the Street Address field. These requirements pertain to electronically filed returns only. Do not incorporate these edits for scannable forms.
- h. Do not enter apartment number or letter in the Street Address field or Additional Address field. Omit the identifier (Apartment, Suite, #, etc.) and enter the apartment number or letter only in the Apartment Number field.

NOTE: If only an identifier is shown, enter the identifier in the Apartment Number field.

- i. The Additional Address field is for supplemental information such as “care-of name” or business name.
- j. Military “APO” or “FPO” addresses:
 - ✓ enter “APO” or “FPO” in the first three positions of the City field;
 - ✓ do not enter the name of the city for “APO” and “FPO” addresses;
 - ✓ enter the two-digit state code in the State field.

<u>State Code</u>	<u>ZIP Code Range</u>
AA	34000 - 34099
AE	09000 - 09999
AP	96200 - 96699 and 98700 - 98799

- k. Use the standard two-digit abbreviation for the state or U.S. possession in the State field (See Section 13, Standard Postal Service State Abbreviations and ZIP Code Ranges).
- l. If the address exceeds the field length, apply standard abbreviations, then truncate.

SECTION 12 Standard Abbreviations

Use the following abbreviations for the singular or plural form of these words.

Air Force Base	AFB	Southeast *	SE
Apartment/Apartamento	APT	Southwest *	SW
Avenue/Avenida	AV	Space	SP
Battalion	BTN	Squadron	SQD
Battery	BTRY	Square	SQ
Boulevard	BL	Terrace	TER
Box	BX	Trailer	TRLR
Building	BLDG	Unit	UN
Circle	CIR	Way	WY
Company	CO	West *	W
Corporation	CORP		
Court	CT		
Department	DEPT		
Division	DIV		
Drive	DR		
East *	E		
Floor	FL		
Headquarters	HQ		
Highway	HWY		
Island	IS		
Landing	LNDG		
Lane	LN		
Naval Air Base	NAB		
Naval Air Station	NAS		
North *	N		
Northeast *	NE		
Northwest *	NW		
Number	NO		
Parkway	PKY		
Place	PL		
Road	RD		
Rural Route	RR		
Saint	ST		
San	SN		
South *	S		

* Abbreviate only when used as a direction.

SECTION 13 Standard Postal Service State Abbreviations and ZIP Code Ranges

<u>State</u>	<u>Abbr</u>	<u>ZIP Code</u>	<u>State</u>	<u>Abbr</u>	<u>ZIP Code</u>
Alabama	AL	350-369	North Carolina	NC	270-289
Alaska	AK	995-999	North Dakota	ND	580-588
Arizona	AZ	850-865	Ohio	OH	430-459
Arkansas	AR	716-728	Oklahoma	OK	730-732
		75502	Oregon	OR	970-979
California	CA	900-908	Pennsylvania	PA	150-196
		910-961	Rhode Island	RI	028-029
Colorado	CO	800-816	South Carolina	SC	290-299
Connecticut	CT	060-069	South Dakota	SD	570-577
Delaware	DE	197-199	Tennessee	TN	370-385
District of Columbia	DC	200-205	Texas	TX	733,73949
Florida	FL	320-339			750-799
		341-342	Utah	UT	840-847
		344	Vermont	VT	050-054
		346-347			056-059
		349	Virginia	VA	20041
		734-749			20301,20370
Georgia	GA	300-319			20164,20165
		399			20166,20167
Hawaii	HI	967-968			220-246
Idaho	ID	832-838	Washington	WA	980-986
Illinois	IL	600-629			988-994
Indiana	IN	460-479	West Virginia	WV	247-268
Iowa	IA	500-528	Wisconsin	WI	49936
Kansas	KS	660-679			530-549
Kentucky	KY	400-427	Wyoming	WY	820-831
		45275			
Louisiana	LA	700-714			
		71749			
Maine	ME	03801			
		039-049			
Maryland	MD	20331	APO or FPO	AA	34000 - 34099
		206-219	APO or FPO	AE	09000 - 09999
Massachusetts	MA	010-027	APO or FPO	AP	96200 - 96699
		055			
Michigan	MI	480-499			
Minnesota	MN	550-567			
Mississippi	MS	386-397			
Missouri	MO	630-658			
Montana	MT	590-599			
Nebraska	NE	680-693			
Nevada	NV	889-898			
New Hampshire	NH	030-038			
New Jersey	NJ	070-089			
New Mexico	NM	870-884			
New York	NY	004-005			
		06390			
		100-149			

Military Addresses Overseas

APO or FPO	AA	34000 - 34099
APO or FPO	AE	09000 - 09999
APO or FPO	AP	96200 - 96699

United States Possessions **Abbreviations**

American Samoa	AS
Federated States of Micronesia	FM
Guam	GU
Marshall Islands	MH
Northern Mariana Islands	MP
Palau	PW
Puerto Rico	PR
Virgin Island	VI

SECTION 14 Error Form Record Numbers

Use the record numbers on this attachment to identify the form/schedule that has a reject error.

<u>Record Number</u>	<u>Schedule/Form</u>
01	Form 540/Form 540A/Form 540EZ/Form 540NR/Form 540 2EZ
02	Form W-2
03	Form W-2G
04	Form 1099-R
08	Schedule CA (540)/(540NR)
09	Schedule D (540)
10	Schedule D-1
11	Schedule G-1
12	Schedule HOH Worksheet
13	Schedule P (540)/(540NR)
21	Form FTB 3501
22	Form FTB 3507
23	Form FTB 3521
24	Form FTB 3526
25	Form FTB 3535
26	Form FTB 3540
27	Form FTB 3546
28	Form FTB 3547
29	Form FTB 3548
30	Form FTB 3553
33	Form FTB 3800
34	Form FTB 3801
35	Form FTB 3801-CR
36	Form FTB 3803
40	Form FTB 3805E
43	Form FTB 3805P
45	Form FTB 3805V
46	Form FTB 3805Z
51	Form FTB 3885A
57	Form FTB 5805
58	Form FTB 5805F
59	Form FTB 5870A
81	TRANA
82	TRANB
83	RECAP
97	IRS Records
98	Statement Number (1-30)
99	Summary

14.1 - Top 5 Reject Codes – Processing Year 2000 (Taxable Year 1999)

Each Acknowledgement (ACK) File contains specific information to help you determine exactly where an error occurred. It includes data defining the form, the page number for multi-page entries, the field sequence number and the error reject code for up to 96 errors on each rejected return.

Many software packages also provide explanations of the reject codes.

To help avoid rejected returns, the following lists the top five error codes identified by FTB during the 1999 processing year (taxable year 1998). (See Section 15 - Error Reject Code Description for detailed information.)

Code	Description
013	All fields must contain the type of data specified in the "Type" column of the Record Layouts. - Tip: <i>Check to make sure the characters is alpha, numeric, a combination of both or date specific.</i>
033	Fields on a record must not be longer than specified in the California Record Layouts. - Tip: <i>Make sure the amount of characters used is the proper amount.</i>
034	For each record, data must be present following the Record ID. - Tip: <i>The Record ID identifies what forms or schedule information will follow it.</i>
521	W-2 Withholding does not equal the amount shown on the return. - Tip: <i>Compare the amount of withholding on the return to the amounts shown on the W-2's. The amounts should match.</i>
530	State wages (Field 200) must equal the total of all W-2 State Wages 1 (Field 390) and/or State Wages 2 (Field 460), unless W-2 Statutory Employee Indicator on the W-2 (Field 300) is checked with an "X". - Tip: <i>Compare the State wages entered on the return to the amounts listed on the W-2's.</i>

Reminders

- ✓ Do not retransmit the entire transmission file for one rejected return. Just transmit the corrected return.
- ✓ To avoid sending duplicate returns (error codes 900,902 and 903), do not retransmit an accepted state return when retransmitting a corrected federal return.
- ✓ Please check the error codes and confirm that the corrections being made are to the correct federal or state forms.
- ✓ California is not a Fed/State e-file participant. Therefore, two separate transmissions must be sent: one to IRS and one to FTB.

SECTION 15 Error Reject Code Descriptions

001		<p>Page 1 of Form 540, Form 540A, Form 540EZ, Form 540NR, or Form 540 2EZ must be present.</p> <p>The Summary Record must be present.</p>
002		<p>Date fields with a length of eight positions must contain eight numeric characters in MMDDYYYY format. Date fields with a length of six positions must contain six numeric characters in MMYYYY format.</p>
005		<p>There can be no more than 30 statement page records with a return.</p> <p>Statement Records do not have to be consecutive but must be in ascending sequence (i.e., 1, 2, 4, 5, 6, 8).</p> <p>For each statement, LN01, LN02 and LN03 must be present and all line numbers must be in ascending numeric sequence.</p> <p>The fields on a statement record must be in the same format and sequence as the appear in the record layouts and only one group of related fields can be entered per Statement Line (LN) Record. Statement references in the tax return must be in ascending numeric sequence.</p>
013		<p>All fields must contain the type of data specified in the "Type" column of the Record Layout.</p>
016	540/A/EZ/NR 2EZ	<p>ZIP Code (Field 059) must be within the valid range of ZIP Codes listed for that state and must not end in "00" (with the exception of 20500, White House ZIP Code). See Section 13, Standard Postal Service State Abbreviations and ZIP Code Ranges for valid State and ZIP Code combinations.</p> <p>ZIP Code cannot have imbedded spaces, dashes, punctuation or symbols.</p>
019	540/A/EZ/NR 2EZ	<p>The Routing Number (RTN) (Field 700) must be nine (9) numeric characters. The first two positions must be 01 through 12 or 21 through 32, and the banking institution must process Electronic Funds Transfers (EFT).</p> <p>The Account Number (Field 730) must be alphanumeric (i.e., numerics, alphas, and hyphens only), left-justified and must not equal zeros.</p>

Section 15 Error Reject Code Descriptions (continued)

019 (cont.)		When Account Number (Field 730) is present and the Routing Number (RTN) (Field 700) is present, either Checking Account Indicator (Field 710) must equal "X" OR Savings Account Indicator (Field 720) must equal "X".
022	540/A/EZ/NR 2EZ	State (Field 058) must be alpha and consistent with the standard state abbreviations issued by the Postal Service. (See Section 13, Standard Postal Service State Abbreviations and Zip Code Ranges)
023	540/A/EZ/NR 2EZ	City (Field 056) must be included, have no leading spaces, contain a minimum of three characters and cannot have any special characters.
027	SUM	The Electronic Return Originator Name (Field 4) must be present. EFIN of Originator (Field 5) must be present and equal to EFIN of Originator of Form 540.
029	540/A/EZ/NR 2EZ	The EFIN of the Originator of the return record is not recognized as an authorized e-filer by FTB.
031		The Return Sequence Number (RSN) in the Return Record must be numeric.
033		Fields on a record must not be longer than specified in the California Record Layout.
034		For each record, data must be present following the Record ID.
035		Field Numbers for each record must be in ascending order and valid for that record (i.e., 010, 020, 021, 030 etc).
044		Invalid Record ID on the incoming record. The error may be caused by: <ul style="list-style-type: none">➤ Invalid Form or Schedule for e-file, or➤ A page number is incorrect or a duplicate.
045	540/A/EZ/NR 2EZ	The format and content of the record ID, which begins each type of record, must be exactly as required in the file specifications.
050		The only valid entry in a Required Statement field (identified with an "@" beside the Field Number in the Record Layout) is the statement reference, "STMbnn".

Section 15 Error Reject Code Descriptions (continued)

051		Any statement references ("STMbnn") occurring in a data field must have a corresponding statement record. Each statement record can be referenced only once.															
052		Optional Statements (identified with an "*" beside the Field Number in the Record Layout) are used only when the lines of data to be entered exceeds the space allowed on a form or schedule.															
053		The number of statement records cannot exceed the number of statement references.															
060		The Return Sequence Number (RSN) in the Return Record must be in ascending numeric sequence within a transmission. The RSNs within the transmission do not have to be consecutive.															
104	540/A/EZ/NR 2EZ	<p>The following fields must equal those in the Summary Record:</p> <table> <tr> <th>Return Field Number</th><th>Field Name</th><th>Summary Field Number</th></tr> <tr> <td>700</td><td>Routing Number</td><td>23</td></tr> <tr> <td>710</td><td>Checking Account Indicator</td><td>24</td></tr> <tr> <td>720</td><td>Savings Account Indicator</td><td>25</td></tr> <tr> <td>730</td><td>Account Number</td><td>26</td></tr> </table>	Return Field Number	Field Name	Summary Field Number	700	Routing Number	23	710	Checking Account Indicator	24	720	Savings Account Indicator	25	730	Account Number	26
Return Field Number	Field Name	Summary Field Number															
700	Routing Number	23															
710	Checking Account Indicator	24															
720	Savings Account Indicator	25															
730	Account Number	26															
105	540/A/EZ/NR 2EZ	Both the Routing Number (Field 700) and Account Number (Field 730) must be present.															
106	540/A/EZ/NR 2EZ	The Automatic Withdrawal Date (Field 468) must be between 1/14/00 and 10/16/00. (To avoid late penalties and interest, the automatic withdrawal must be made on or before 4/17/00.)															
107	540/A/EZ/NR 2EZ	The Automatic Withdrawal Amount (Field 467) and Automatic Withdrawal Date (Field 468) along with the Routing Number (Field 700) and Account Number (Field 730) must be present for an automatic withdrawal request to be elected.															

Section 15 Error Reject Code Descriptions (continued)

123	W-2	<p>The following fields must be present:</p> <p>Employer Name (Field 050) Employer Address (Field 060) Employer City (Field 070), State (Field 073) and ZIP Code (Field 075) Employee Name (Field 090) Employee Address (Field 100) Employee City (Field 110), State (Field 113) and ZIP Code (Field 115) Wages (Field 120)</p>
139	W-2	SSN Number (Field 080) must equal Taxpayer SSN (Field 010) or Spouse SSN (Field 020) of the state return.
151	SUM	Number of Logical Records in Return (Field 7) must equal the total logical record count computed by FTB.
152	SUM	Number of Forms W-2 (Field 8) must equal the number of Forms W-2 computed by FTB.
153	SUM	Number of Forms W-2G (Field 9) must equal the number of Forms W-2G computed by FTB.
154	SUM	Number of Forms 1099-R (Field 10) must equal the number of Forms 1099-R computed by FTB.
155	SUM	Number of Schedule Records (Field 11) must equal the number of schedule records (SCH) computed by FTB. This is a count of all state schedules plus federal schedules, if federal data was transmitted.
156	SUM	Number of Form Records (Field 12) must equal the number of form records (FRM) computed by FTB. This is a count of all state forms plus federal forms, if federal data was transmitted.
157	SUM	Number of Statement Records (Field 13) must equal the number of statement record lines (STM) computed by FTB. This is a count of all state statements plus federal statements, if federal data was transmitted.
158	SUM	The California Software ID Number (Field 32) must be present and must be the Computerized Tax Processor ID of the originating software developer.

Section 15 Error Reject Code Descriptions (continued)

507

There can be no data in any of the following fields of the tax return:

Form	Field #	Field Name
540/A/EZ/NR /2EZ	015	Taxpayer Date of Death
540/A/EZ/NR /2EZ	022	Spouse Date of Death
540/A/EZ/NR /2EZ	053	Private Mail Box
540/A/EZ/NR /2EZ	057	Country Name
540/A/NR	070	Spouse Name if FS 3

There can be no data in any of the following fields of the schedules and forms listed below.

Schedule/ Form	Field #	Field Name	Line #
G-1	026	Qualified Plan "no"	1
G-1	030	Roll Over Distr. "yes"	2
G-1	190	Prior Year Distr. "yes"	5
P(540)	1620	Prior Year AMT Credit	13(a)
P(540)	1630	Credit Used This Year	13(b)
P(540)	1640	Tax Offset	13(c)
P(540)	1650	Credit Carryover	13(d)
P(540)	2030	Other State Tax Credit	19(a)
P(540)	2040	Credit Used This Year	19(b)
P(540)	2050	Tax Balance	19(c)
P(540NR)	1620	Prior Year AMT Credit	13(a)
P(540NR)	1630	Credit Used This Year	13(b)
P(540NR)	1640	Tax Offset	13(c)
P(540NR)	1650	Credit Carryover	13(d)
P(540NR)	2030	Other State Tax Credit	19(a)
P(540NR)	2040	Credit Used This Year	19(b)
P(540NR)	2050	Tax Balance	19(c)
FTB 3805P	070	Amended Return	

508

If any of the following fields are blank, the return will be rejected:

Form	Field #	Field Name
540/A/EZ/NR /2EZ	010	Taxpayer SSN
540/A/EZ/NR /2EZ	025	Name Control
540/A/EZ/NR /2EZ	030	T/P First Name
540/A/EZ/NR /2EZ	032	T/P Last Name
540/A/EZ/NR/2EZ	050	Street Address
540/A/EZ/NR /2EZ	056	City
540/A/EZ/NR /2EZ	058	State
540/A/EZ/NR /2EZ	065	Filing Status

Section 15 Error Reject Code Descriptions (continued)

509 540/A/EZ/NR Taxpayer First Name (Field 030) and Spouse First Name (Field 040)
2EZ cannot be more than 11 characters, cannot have leading or imbedded
spaces and cannot have any dashes, punctuation or symbols.

Example

Jo Ann

Enter First Name as

Joann

Shu-Hueng

Shuhueng

Teresita Ma.

First Name = Teresita

Middle Initial = M

510 540/A/EZ/NR Street Address (Field 050) must begin with an alpha or numeric character,
2EZ cannot have consecutive imbedded spaces and the only special characters
allowed are space and slash (/), if a fraction is part of the address.

Always use Standard Abbreviations (see Section 12, Standard Abbreviations, for examples) for the suffix of the street name.

Do not enter the apartment number or letter in the street address field. Omit the identifier (Apartment, Suite, #, No, etc.) and enter the apartment number or letter only in the Apartment Number (Field 054). If only an identifier is shown, enter the identifier in the Apartment Number field.

If the address exceeds the field length after applying these guidelines and standard abbreviations, truncate.

Example:

722 Excelsior Court Southeast

Enter as:

Street Address = 722 Excelsior Ct SE

Example:

Loop Road Route 6 Box 3

Enter as:

Street Address = Loop Rd Route 6 Bx 3

Example:

1502 Bremerton Drive #A

Enter as:

Street Address = 1502 Bremerton Dr

Apartment Number = A

Section 15 Error Reject Code Descriptions (continued)

510	540/A/EZ/NR 2EZ	<p>Additional Address (Field 052) must begin with an alpha or numeric character, cannot have consecutive imbedded spaces and the only special characters allowed are space and slash (/), if a fraction is part of the additional address.</p> <p>Do not enter the apartment number or letter in the Additional Address field. Omit the identifier (Apartment, Suite, #, No, etc.) and enter the apartment number or letter only in the Apartment Number (Field 054). If only an identifier is shown, enter the identifier in the Apartment Number field.</p> <p><u>Example:</u> P.O. Box 1792 Hawaiian Gardenia Garden Branch</p> <p><u>Enter as:</u> Street Address = PO Bx 1792 Addl Address = Hawaiian Gardenia Gdn Br</p> <p><u>Example:</u> 4432 Gateway Park Drive, Room 3C California State University</p> <p><u>Enter as:</u> Street Address = 4432 Gateway Park Dr Addl Address = Calif State Univ Apartment Number = 3C</p>
511	540/A/EZ/NR 2EZ	If Filing Status (Field 065) is equal to 2 (married filing joint), then Spouse First Name (Field 040) must be present and Spouse SSN (Field 020) must be present.
512	540/A/NR 2EZ	If Filing Status (Field 065) is equal to 4 (head of household), then Spouse SSN (Field 020) must be blank.
514	540/A/NR 2EZ	If Filing Status (Field 065) is equal to 5 (qualifying widow(er)), then Year Spouse Died (Field 080) cannot be more than two years prior to current taxable year and must be in YYYY format.
515	540/A/NR	<p>Total Exemption Credit (Field 104) must be equal to the sum of:</p> <ul style="list-style-type: none"> ➤ Personal Exemption Credit (Field 091) <i>plus</i> ➤ Blind Exemption Credit (Field 096) <i>plus</i> ➤ Senior Exemption Credit (Field 101).
516	540A	Total Adjustments (Field 218) must equal Total CA Income Adjustments (Field 530) on Side 2.

Section 15 Error Reject Code Descriptions (continued)

517	540/A/EZ/NR	Tax (Field 240) must be equal to corresponding amount on the California Tax Tables using Taxable Income (Field 235) and Filing Status (Field 065) to determine the amount.
518	540/NR	Taxable Income (Field 235) is equal to the sum of Federal AGI (Field 205) minus California Adjustments-Subtractions (Field 210) plus California Adjustments-Additions (Field 220) minus Deductions (Field 230).
	540A	<p>Taxable Income (Field 235) is equal to the sum of Federal AGI (Field 205) minus Total Adjustments (Field 218) minus Deductions (Field 230).</p> <p>If Total Adjustments is a negative figure, Taxable Income(Field 235) is equal to the sum of Federal AGI (Field 205) PLUS Total Adjustments (Field 218)minus Deductions (Field 230).</p>
518	540EZ	Taxable Income (Field 235) is equal to the sum of California AGI (Field 225) minus Deductions (Field 230).
519	540/A/EZ/NR 2EZ	The only entries on this return are Nonrefundable Renter's Credit (Field 327) and Refund (Field 460). Renter's credit is nonrefundable.
521	540/A/NR	<p>If Withholdings (Field 360) is present, Form(s) W-2, W-2G or 1099-R must be present</p> <p>If Form 1099 Indicator (Field 357) is checked with an "X", Withholdings (Field 360) must be greater than the total amount withheld from all W-2 records.</p> <p>If Form 1099 Indicator (Field 357) is blank, Withholdings (Field 360) must equal the total amount withheld from all W-2 records.</p> <p><i>Determine Withholdings as follows:</i></p> <p>NOTE: For income to be recognized as <i>California Income</i>, CA must be indicated on Form(s) W-2, W-2G or 1099 as the state name.</p>

Section 15 Error Reject Code Description (continued)

W-2 State Name 1 (Field 370) must equal "CA" and use State Income Tax 1 (Field 400)

OR

State Name 2 (Field 440) must equal "CA" and use State Income Tax 2 (Field 470)

W-2G When State Name (Field 200) equals 'CA' use State Income Tax Withheld (Field 210)

1099-R When Payer State Name 1 (Field 246) equals "CA" use State Income Tax Withheld 1 (Field 240)

OR

Payer State Name 2 (Field 286) must equal "CA" and use State Income Tax Withheld 2 (Field 280)

Records must be in the following sequence: Form W-2, Form W-2G and Form 1099-R.

521 540EZ/2EZ If Withholdings (Field 360) is present, Form(s) W-2 must be present. Withholdings (Field 360) must equal the total amount withheld of all W-2 records.

Determine Withholdings as follows:

W-2 State Name 1 (Field 370) must equal "CA" and use State Income Tax 1 (Field 400)

OR

State Name 2 (Field 440) must equal "CA" and use State Income Tax 2 (Field 470)

Records must be in the following sequence: Form W-2, Form W-2G and Form 1099-R.

522 The data records of the tax return must be in the following sequence: Return, Form W-2, Form W-2G, Form 1099-R, Schedules, Forms, Statements, IRS Records (if applicable) and Summary.

Both pages of multiple page forms must be present unless there is no data on the second page.

Schedule records must be in ascending alpha sequence. Form records must be in ascending numeric sequence. See Section 14, Error Form Record Numbers.

Section 15 Error Reject Code Descriptions (continued)

The Schedule Occurrence Number (Field 3 of the Schedule Record) and the Form Occurrence Number (Field 3 of the Form Record) must be present and in ascending numeric sequence beginning with 01.

The Taxpayer SSN must be consistent in the Record ID of all data records for a tax return.

523	540/A/EZ/NR/ 2EZ	Overpaid Tax Available (Field 390) minus Total Contributions (Field 445) must be equal to Refund or No Amount Due (Field 460) OR Amount You Owe (Field 465).
526	540/A/NR	Total Contributions (Field 445) must be EQUAL to the sum of: Field 400 PLUS Field 405 PLUS Field 410 PLUS Field 415 PLUS Field 420 PLUS Field 425 PLUS Field 431 PLUS Field 432 PLUS Field 435 PLUS Field 436 PLUS Field 437 PLUS Field 438 PLUS Field 439.
526	540EZ/2EZ	Total Contributions (Field 445) must be EQUAL to the sum of: Field 405 PLUS Field 410 PLUS Field 415 PLUS Field 420 PLUS Field 425 PLUS Field 431 PLUS Field 432 PLUS Field 435 PLUS Field 436 PLUS Field 437 PLUS Field 438 PLUS Field 439.

Section 15 Error Reject Code Descriptions (continued)

527	540/A/NR/2EZ	Total Dependent Exemptions (Field 135) must be greater than zero if there is an entry in Dependent Name 1 (Field 105).
528	540A	Federal AGI (Field 205) cannot be greater than \$100,000.
	540EZ	Taxable Income (Field 235) cannot be greater than \$50,000.
	540 2EZ	Taxable Income (Field 225) cannot be greater than \$100,000.
529	540	Cannot have both Schedule P(540) and form FTB 3540 with a return.
530	540/A/EZ/NR 2EZ	State Wages (Field 200) must equal the total of all W-2 State Wages 1 (Field 390) and State Wages 2 (Field 460), unless W-2 Statutory Employee Ind. (Field 300) on the W-2 is checked with an "X".
533	540/NR	If Deductions (Field 230) is not equal to the standard deduction amount and Dependent Box (Field 085) is blank, Deductions must be equal to Schedule CA (540)/CA (540NR) California Itemized Deductions (Field 1110).
534	540A	Source Return Indicator (Field 3) of return equals "1", only Form(s) W-2, W-2G, 1099-R and FTB 5805 are allowed.
535	540	If Dependent Box (Field 085) is blank and no Schedule CA is transmitted, Deductions (Field 230) must equal a valid standard deduction.
536	540/NR	If FTB 3800 Box (Field 243) is checked with an "X", then Tax (Field 240) is equal to form FTB 3800 Line 18 Amount (Field 250) . If FTB 3803 Box (Field 244) is checked with an "X", then Tax (Field 240) is equal to the total of all FTB 3803 Tax amounts (Field 290) plus tax as computed from tax table or tax rate schedule.
537	540/NR	If FTB 3800 Box (Field 243) equals "X" then form FTB 3800 must be present. If FTB 3803 Box (Field 244) equals "X" then form FTB 3803 must be present. If Schedule G-1 Box (Field 253) equals "X" then Schedule G-1 must be present. If FTB 5870A Box (Field 254) equals "X" then form FTB 5870A must be present.

Section 15 Error Reject Code Descriptions (continued)

If form FTB 5805/5805F Box (Field 472) equals "X" then form FTB 5805 **OR** form FTB 5805F must be present.

540A If form FTB 5805 Box (Field 472) equals "X" then form FTB 5805 must be present.

538 540/NR Must be valid Code No. (Field 307, 312), and must be a valid acronym name for Credit Name (Field 306, 311).

Mandatory form is missing (Code no. 172, 176, 189, 190, 199 and 203-205).

<u>Code no.</u>	<u>Valid Acronym Name</u>	<u>Form Required</u>
159	LARZ HRE/USE	
160	LOW-EMS VHCL	
161	YNG INFNT CO	
162	INMATE LABOR	
163	SR HOH	
169	E/Z EMPL	
170	JT CSTDY HOH	
171	R/S CO	
172	LOW-INC HS	FTB 3521
173	DEP PARENT	
174	RCYCL EQUIP	
175	AGRI PRODUCT	
176	E/Z HIRE/USE	FTB 3805Z
178	WATRC SRV CO	
179	SLR PUMP CO	
180	SLR NRG CO	
181	COM SLR NRG	
182	NRG CSRV CO	
184	POLTCL CTB	
185	ORPHN DRG CO	
186	RES RNT/FARM	
189	CHLDCARE PRG	FTB 3501
190	CHLDCARE CTB	FTB 3501
191	R/S LG EMPLR	
192	R/S SM EMPLR	
193	R/S TRANSIT	
194	R/S EMPL VN	
196	COMSLR EL CO	
197	CHILD ADOPT	
199	MFG INVSTMNT	FTB 3535
200	SALMON/TROUT	
203	ENHNC OILREC	FTB 3546
204	DONATE AGTRN	FTB 3547
205	DSABL ACCESS	FTB 3548
206	RICE STRAW	
207	F/W HS CONST	
209	CDFI DEPOSIT	
210	TTA HIRE/USE	
211	MEA HIRE	

Section 15 Error Reject Code Descriptions (continued)

	SCH P (540)/ SCH P (NR)	Must be valid acronym name for Credit Name (Field 730, 790, 850, 910, 1680, 1740, 1800, and 1860).
539	540/NR	If Alternative Minimum Tax (Field 340) is present, then Schedule P (540)/ Schedule P (540NR) must be present.
540	540/NR	<p>If Other Taxes (Field 350) is present, then form(s) FTB 3501, 3535, 3805P, 3805Z, 3806 or Sch D-1 must be attached.</p> <p>If Additional Tax Literal (Field 341) is equal to "3501", then form FTB 3501 must be attached.</p> <p>If Additional Tax Literal (Field 341) is equal to "3535", then form FTB 3535 must be attached.</p> <p>If Additional Tax Literal (Field 341) is equal to "3805P", then form FTB 3805P must be attached.</p> <p>If Additional Tax Literal (Field 341) is equal to "3805Z", then form FTB 3805Z must be attached.</p> <p>If Additional Tax Literal (Field 341) is equal to "IRC197", then Sch D-1 must be attached.</p>
541	540/NR	If Excess CA SDI (Field 370) is present, Form W-2 must be present.
543	CA (540)/ CA (NR)	If Other Adjustments-Amount (Field 1080) is present, Other Adjustments-Specify (Field 1070) must be present.
545	CA (540)/ CA (NR)	Capital Gain or (Loss) Subtractions (Field 180) must be equal to Schedule D, Adjustment Decrease (Field 310).
546	CA (540)/ CA (NR)	Capital Gain or (Loss) Additions (Field 190) must be equal to Schedule D, Adjustment Increase (Field 320).
547	CA (540)/ CA (NR)	Other Gains or (Losses) Subtractions (Field 210) must be equal to Schedule D-1, Adjustment Decrease (Field 738).
548	CA (540)/ CA (NR)	Other Gains or (Losses) Additions (Field 220) must be equal to Schedule D-1, Adjustment Increase (Field 739).
549	G-1	Qualifying Age 5 Year Member "No" (Field 086) and Beneficiary "No" (Field 044) cannot both have entries.

Section 15 Error Reject Code Descriptions (continued)

551	540/NR	<p>If Underpayment (Field 475) is present, form FTB 5805 OR FTB 5805F must be attached.</p> <p>Underpayment (Field 475) must be equal to the amount on form FTB 5805 Penalty (Field 210) OR form FTB 5805F Penalty (Field 170).</p>
551	540A	<p>If Underpayment (Field 475) is present, form FTB 5805 must be attached.</p> <p>Underpayment (Field 475) must be equal to the amount on form FTB 5805 Penalty (Field 210).</p>
552	540/NR	<p>If California Adj-Subtractions (Field 210) is greater than Federal AGI (Field 205) then Subtotal (Field 215) must be negative.</p>
553		<p>Form(s) W-2, W-2G and 1099-R cannot be included in the federal return. They are to be transmitted only with the state return information. Federal Summary Record cannot be included.</p>
554	540EZ/2EZ	<p>If Source Return Indicator (Field 3) of return equals "2", only Form W-2 is allowed.</p>
555	540/A/EZ/NR	<p>The maximum numbers allowed for California schedules and forms in an electronically filed tax return are as follows:</p> <ul style="list-style-type: none">20 Forms W-230 Forms W-2G10 Forms 1099-R1 Schedule G-1 per taxpayer (maximum of 2 on a joint return)3 Forms FTB 38033 Forms FTB 3805E1 Form FTB 3805P per taxpayer (maximum of 2 on a joint return)3 Forms FTB 3805Z5 Forms FTB 3885A1 Form FTB 5870A per taxpayer (maximum of 2 on a joint return) <p>Only one schedule or form is allowed for those attachments not listed above.</p>
556	540/A/EZ/NR 2EZ	<p>Taxpayer SSN (Field 010) and Spouse SSN (Field 020) must be numeric, cannot be all zeroes, all blanks, all nines, must be within the valid range of SSNs and the fourth and fifth digits cannot both be zero.</p>

Section 15 Error Reject Code Descriptions (continued)

557	540/NR	Federal 1040 Indicator (Field 063) equals "X" and 1040 information is NOT included.
558	540NR	Federal 1040 must always be attached.
560	W-2	Employer's State ID Number 1 (Field 380) must be present if State Wages 1 (Field 390) is entered and State Name 1 (Field 370) is equal to "CA". Employer's State ID Number 2 (Field 450) must be present if State Wages 2 (Field 460) is entered and State Name 2 (Field 440) is equal to "CA".
561	540/A/EZ/NR 2EZ	Tax Due (Field 395) plus Total Contributions (Field 445) must be equal to Amount You Owe (Field 465).
562	540/A/NR	Excess SDI (Field 370) cannot be greater than \$999.
563	W-2	California State Disability Insurance (Field 365) cannot be greater than \$999.
570	540/A/EZ/NR 2EZ	The Taxpayer SSN in the Record ID must match the Taxpayer SSN (Field 010) of the tax return.
571		Unacceptable IRS Forms or Schedules were included in 1040 information. IRS Schedules must be in ascending alpha sequence or in order by Attachment Sequence Number. IRS Forms must be in ascending numeric sequence or in order by Attachment Sequence Number. The IRS Schedule Occurrence Number and IRS Form Occurrence Number must be present and in ascending numeric sequence beginning with 01. With multiple schedules or forms, the Page Number must be sequential within the Schedule Occurrence Number of a schedule or Form Occurrence Number of a form.
572	540/A/EZ/NR 2EZ	Taxpayer Last Name (Field 032) must be present. Taxpayer and Spouse Last Name cannot be more than 17 characters, cannot have leading or imbedded spaces (except for JR, SR, TR, II, etc), cannot include punctuation, symbols, dashes or slashes and cannot include titles or ranks such as DR, MD, SGT, etc.

Section 15 Error Reject Code Descriptions (continued)

573 540/A/EZ/NR Do not enter the Spouse Last Name (Field 042) unless it is DIFFERENT
2EZ from the Taxpayer Last Name. Spouse Last Name cannot be more than 17
 characters, cannot have leading or imbedded spaces and cannot include
 punctuation, symbols, dashes or slashes.

Example:

Taxpayer = Jeff Lee Junior
Spouse = Mary Kayla Hunter-Lee

Enter As:

TP First Name =	Jeff	SP First Name = Mary
TP Middle Initial =	blank	SP Middle Initial = K
TP Last Name =	Lee JR	SP Last Name = Hunterlee

Example:

Taxpayer = Thomas P. Jones
Spouse = Anna Sue Jones

Enter As:

TP First Name =	Thomas	SP First Name = Anna
TP Middle Initial =	P	SP Middle Initial = S
TP Last Name =	Jones	SP Last Name = blank

Example:

Taxpayer = Jose Juan Gonzalez
Spouse = Maria de la Rosa Gonzalez

Enter As:

TP First Name =	Jose	SP First Name = Maria
TP Middle Initial =	J	SP Middle Initial = D
TP Last Name =	Gonzalez	SP Last Name = blank

805 The TRANB record must be present.

806 The Processing Site of the TRANA record (Field 5) must be equal to "S" for
 Sacramento.

820 The Julian Date cannot be more than two days prior to the Julian Date of
 the actual processing date or more than one day after the actual processing
 date.

822 The transmission sequence number of the TRANA record is a duplicate of
 a previously accepted transmission.

Section 15 Error Reject Code Descriptions (continued)

822 (cont.)		Julian Date (Field 8) in the TRANA must be used for the actual Julian Date of the transmission to California. The Sequence Number used is also for the same Julian Date of the transmission. Each transmission must have the Sequence Number incremented by one. The first transmission beginning after midnight, should have the Julian Date for that day.
823		There cannot be any unrecognizable or inconsistent control data or the transmission will be rejected.
824		The EFIN of the transmitter must be present.
825		<p>The data records of the transmission must be in the following sequence: TRANA, TRANB, Return, and RECAP record.</p> <p>The format of the TRANA, TRANB and RECAP record must correspond exactly to the record layouts as specified.</p> <p>The Total Return Count (Field 4) in the RECAP record must match the FTB computed count. FTB checks the program counts to make sure they correspond to the counts shown in the RECAP record. Records are counted as follows:</p>
830		Total EFT Count is a count of Direct Deposit of Refund Requests. This count is incremented for each return containing data in the Routing Transit Number (Field 700) of the tax form.
831		Total Return Count is a count of returns submitted. This count is incremented each time the Taxpayer SSN within a Record ID changes.
840		The ETIN plus Transmitter's Use Code (Field 5), Julian Date (Field 6), and Transmission Sequence Number (Field 7) of the RECAP Record must agree with the corresponding fields of the TRANA Record (Fields 7-9).
900	540/A/EZ/NR 2EZ	The T/P SSN must not duplicate the T/P SSN or Spouse SSN of any previously accepted return for the current taxable year.
902	540/A/EZ/NR 2EZ	Declaration Control Number (DCN) must not duplicate another DCN on a previously accepted return for the current processing year.
903	540/A/EZ/NR 2EZ	The Spouse SSN (Field 020) must not duplicate the Spouse SSN of any previously accepted return for the current taxable year.

APPENDIX – Form Field Numbers Exhibits

Form 540
Form 540A
Form 540EZ
Form 540NR
Form 540 2EZ
Form W-2
Form W-2G
Form 1099-R
Schedule CA (540)
Form FTB 3885A
Schedule D (540)
Schedule CA (540NR)
Schedule D-1
Schedule G-1
Schedule HOH/Form 1540e
Schedule P (540)
Schedule P (540NR)
Form FTB 3501
Form FTB 3507
Form FTB 3521
Form FTB 3526
Form FTB 3535
Form FTB 3540
Form FTB 3546
Form FTB 3547
Form FTB 3548
Form FTB 3553
Form FTB 3800
Form FTB 3801
Form FTB 3801-CR
Form FTB 3803
Form FTB 3805E
Form FTB 3805P
Form FTB 3805V
Form FTB 3805Z
Form FTB 5805
Form FTB 5805F
Form FTB 5870A

California Resident Income Tax Return 1999

FORM

540

Fiscal year filers only: Enter month of year end: month _____ year 2000.

Step 1	Your first name 030	Initial 031	Last name 032	025	P
Place label here or print	If joint return, spouse's first name 040	Initial 041	Last name 042		AC
Name and Address	Present home address — number and street including PO Box or rural route 050			Apt. no. 054	PMB no. 053
	City, town, or post office 056			State 058	ZIP Code 059

Step 1a	Your social security number SSN 010	Spouse's social security number 020	IMPORTANT: Your social security number is required.
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Step 2	1 <input type="radio"/> Single	2 <input type="radio"/> Married filing joint return (even if only one spouse had income)	060	@ 062	063	064
Filing Status	3 <input type="radio"/> Married filing separate return. Enter spouse's social security number above and full name here		070			
Fill in only one.	4 <input type="radio"/> Head of household (with qualifying person). STOP. See instructions.					
	5 <input type="radio"/> Qualifying widow(er) with dependent child. Enter year spouse died 19	080				

Step 3	6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle	085
Exemptions	► For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.	
Attach check or money order here.	7 Personal: If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see instructions	090 7 <input type="checkbox"/> X \$72 = \$ 091
	8 Blind: If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2	095 8 <input type="checkbox"/> X \$72 = \$ 096
	9 Senior: If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2	100 9 <input type="checkbox"/> X \$72 = \$ 101
	10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit	10 Total \$ 104
Dependent Exemptions	11 Dependents: Enter name and relationship. Do not include yourself or your spouse. * 105 +107 110 112 115 117 120 122 125 127 130 132	Total dependent exemption credit 135 11 <input type="checkbox"/> X \$227 = \$ 136

Step 4	12 State wages from your Form(s) W-2, box 17	12 200
Taxable Income	13 Enter federal adjusted gross income from Form 1040, line 33; Form 1040A, line 18; Form 1040EZ, line 4, or TeleFile Tax Record, line I	13 205
Attach copy of your Form(s) W-2, W-2G, 1099-R, and other Forms 1099 showing California tax withheld.	14 California adjustments — subtractions. Enter the amount from Schedule CA (540), line 33, column B	14 210
	Caution: If the amount on Schedule CA (540), line 33, column B is a negative number, see instructions.	
	15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions	15 215
	16 California adjustments — additions. Enter the amount from Schedule CA (540), line 33, column C	16 220
	Caution: If the amount on Schedule CA (540), line 33, column C is a negative number, see instructions.	
	17 California adjusted gross income. Combine line 15 and line 16	17 225
	18 Enter the larger of: Your California itemized deductions from Schedule CA (540), line 40; OR Your California standard deduction shown below for your filing status: • Married filing joint, Head of household, or Qualifying widow(er) \$5,422 • Single or Married filing separate \$2,711 (Dependent of someone else and filled in the circle on line 6 See instructions)	18 230
	19 Subtract line 18 from line 17. This is your taxable income. If less than zero, enter -0-	19 235

Step 5	241 242 243 244	
Tax	20 Tax. Fill in circle if from <input type="radio"/> Tax Table <input type="radio"/> Tax Rate Schedule <input type="radio"/> FTB 3800 or <input type="radio"/> FTB 3803	20 240
	Caution: If under age 14 and you have more than \$1,400 of investment income, read the line 20 instructions to see if you must attach form FTB 3800.	
	21 Exemption credits. If your federal AGI is more than \$119,813, see instructions. Otherwise, add line 10 and line 11 and enter the result on line 21	21 245
	22 Subtract line 21 from line 20. If less than zero, enter -0-	22 250
	23 Tax. Fill in circle if from <input type="radio"/> Schedule G-1, Tax on Lump-Sum Distributions 253 <input type="radio"/> form FTB 5870A, Tax on Accumulation Distribution of Trusts	23 255
	254	
	24 Add line 22 and line 23. Continue to Side 2	24 260

Step 6**Special Credits and Nonrefundable Renter's Credit**

25	Amount from Side 1, line 24	25	300
28	Enter credit name 306 code no 307 and amount	28	310
29	Enter credit name 311 code no 312 and amount	29	315
30	To claim more than two credits, see instructions	30	325
31	Nonrefundable renter's credit. See instructions for "Step 6"	31	327
33	Add line 28 through line 31. These are your total credits	33	330
34	Subtract line 33 from line 25. If less than zero, enter -0-	34	335

Step 7**Other Taxes**

35	Alternative minimum tax. Attach Schedule P (540)	35	340
36	Other taxes and credit recapture. See instructions	36	350
37	Add line 34 through line 36. This is your total tax	37	355

Step 8**Payments**

38	California income tax withheld. Enter total from your 1999 Form(s) W-2, W-2G, 1099-MISC, and 1099-R. Also attach the form(s) to Side 1	38	360
39	1999 CA estimated tax and amount applied from your 1998 return. Include the amount from form FTB 3519 or Schedule K-1 (541)	39	365
41	Excess SDI. See instructions	41	370
42	Add line 38 through line 41. These are your total payments	42	375

**357
@367****Step 9****Overpaid Tax or Tax Due**

43	Overpaid tax. If line 42 is more than line 37, subtract line 37 from line 42	43	380
44	Amount of line 43 you want applied to your 2000 estimated tax	44	385
45	Overpaid tax available this year. Subtract line 44 from line 43	45	390
46	Tax due. If line 42 is less than line 37, subtract line 42 from line 37	46	395

Step 10**Contributions**

47	Contribution to California Seniors Special Fund. See instructions	47	400
48	Alzheimer's Disease/Related Disorders Fund	48	405
49	California Fund for Senior Citizens	49	410
50	Rare and Endangered Species Preservation Program	50	415
51	State Children's Trust Fund for the Prevention of Child Abuse	51	420
52	California Breast Cancer Research Fund	52	425
53	California Firefighters' Memorial Fund	53	431
54	California Public School Library Protection Fund	54	432
55	D.A.R.E. California (Drug Abuse Resistance Education) Fund	55	435
56	California Mexican American Veterans' Memorial	56	436
57	Emergency Food Assistance Program Fund	57	437
58	California Peace Officer Memorial Foundation Fund	58	438
59	Birth Defects Research Fund	59	439

60	Add line 47 through line 59. These are your total contributions	60	445
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Step 11**Refund or Amount You Owe**

61	REFUND OR NO AMOUNT DUE. Subtract line 60 from line 45. Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000	61	460
62	AMOUNT YOU OWE. Add line 46 and line 60. Make a check/money order payable to "Franchise Tax Board" for the full amount. Write your social security number and "1999 Form 540" on it. Attach it to the front of your Form 540 and mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001	62	465

Step 12**Interest and Penalties**

63	Interest, late return penalties, and late payment penalties	63	470
64	Underpayment of estimated tax. Fill in circle: <input type="radio"/> FTB 5805 attached <input type="radio"/> FTB 5805F attached	64	475
65	If you do not need California income tax forms mailed to you next year, fill in circle	65	477

Step 13**Direct Deposit Information**

Routing number	700
Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/> Account number	730

Sign Here

It is unlawful to forge a spouse's signature.

Joint return? See instructions.

IMPORTANT: See "Sign Your Return" in the Form 540 instructions to find out if you should attach a copy of your complete federal return. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.		3
Your signature	Daytime phone number	
X	() 479	
Spouse's signature (if filing joint, both must sign)		
X		
Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)	Date	Paid preparer's SSN/FEIN/PTIN
600		605
Firm's name (or yours if self-employed)	Firm's address	

610 615 620 625 630

California Resident Income Tax Return 1999

FORM

540A**Step 1**Place
label here
or printName
and
Address

Your first name 030	Initial 031	Last name 032	025
If joint return, spouse's first name 040	Initial 041	Last name 042	
Present home address — number and street including PO Box or rural route 050			Apt. no. 054
City, town, or post office 052			PMB no. 053
State 058			ZIP Code 059

Step 1a

SSN

Your social security number

Spouse's social security number

IMPORTANT:Your social security number
is required.**Step 2**

Filing Status

Fill in only one.

1 <input type="radio"/> Single	2 <input type="radio"/> Married filing joint return (even if only one spouse had income)	060	@062	064
3 <input type="radio"/> Married filing separate return. Enter spouse's social security number above and full name here			070	
4 <input type="radio"/> Head of household (with qualifying person). STOP. See page 13.				
5 <input type="radio"/> Qualifying widow(er) with dependent child. Enter year spouse died 19 080				

Step 3

Exemptions

Attach check or
money order here.

6 If your parent, (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle	• 6 <input type="radio"/>	085
► For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.		
7 Personal: If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see page 13	090 7 <input type="checkbox"/>	X \$72 = \$ 091
8 Blind: If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2	095 8 <input type="checkbox"/>	X \$72 = \$ 096
9 Senior: If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2	100 9 <input type="checkbox"/>	X \$72 = \$ 101
10 Add line 7 through line 9. These are your total exemptions before dependent exemptions	10 Total	\$ 104
11 Dependents: Enter name and relationship. Do not include yourself or your spouse.		
*105 +107 110 112 115 117 120 122		
125 127 130 132	Total dependent exemptions	135 11 <input type="checkbox"/> X \$227 = \$ 136

Step 4Taxable
IncomeAttach copy of your
Form(s) W-2, W-2G,
1099-R, and other
Forms 1099 showing
California tax withheld.

12 a State wages from your Form(s) W-2, box 17	• 12a	200
12 b Enter federal adjusted gross income from your TeleFile Tax Record, line I; Form 1040EZ, line 4; Form 1040A, line 18; or Form 1040, line 33. (If over \$100,000, STOP; you must file Form 540)	12b	205
13 Total California income adjustments. Enter the amount from Side 2, Part I, line 7	• 13	218
14 Subtract line 13 from line 12b. This is your California adjusted gross income. See page 15	• 14	225
15 Enter the larger of your CA itemized deductions or your CA standard deduction. See page 15	• 15	230
16 Subtract line 15 from line 14. This is your taxable income. If less than zero, enter -0-	16	235
17 Tax. Use the tax table to find the tax on the amount shown on line 16	17	240
18 Exemption credits. Add line 10 and line 11. Enter the result here	18	245
19 Nonrefundable renter's credit. See page 12	• 19	327
20 Total credits. Add line 18 and line 19	20	330
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0-	• 23	355

Step 6Overpaid
Tax or
Tax Due

24 California income tax withheld. See page 16	■ 24	360	
25 1999 California estimated tax and payment with form FTB 3519	■ 25	365	357
27 Excess SDI. See page 16	■ 27	370	@367
28 Total payments and credits. Add line 24, line 25, and line 27	28	375	
29 Overpaid tax. If line 28 is more than line 23, subtract line 23 from line 28	29	380	
30 Enter the amount of line 29 you want applied to your 2000 estimated tax	■ 30	385	
31 Overpaid tax available this year. Subtract line 30 from line 29	■ 31	390	
32 Tax due. If line 28 is less than line 23, subtract line 28 from line 23	32	395	

Step 7Refund or
Amount
You Owe

34 Total contributions. Enter amount from Side 2, Part II, line 14	• 34	445	
35 Subtract line 34 from line 31. You have a REFUND or NO AMOUNT DUE . Enter the result here. See Part III for direct deposit. See Part IV to sign your return	■ 35	460	
36 Add line 32 and line 34. This is the AMOUNT YOU OWE . Enter the result here. See Side 2, Part IV to sign your return.	467 468 ■ 36	465	
37 Underpayment of estimated tax. If form FTB 5805 is attached, fill in this circle	472 ○ ■ 37	475	
38 If you do not need California income tax forms mailed to you next year, fill in this circle	• 38 ○	477	

540A99201

California Resident Income Tax Return

For Single and Joint Filers With No Dependents 1999

FORM

540EZ**Step 1**Place
label here
or printName
and
Address

Your first name 030	Initial 031	Last name 032	025
If joint return, spouse's first name 040	Initial 041	Last name 042	
Present home address — number and street including PO Box or rural route 050		Apt. no. 054	PMB no. 053
City, town, or post office 056		State 058	ZIP Code 059

P

AC

A

R

RP

Step 1a

SSN

Your social security number	Spouse's social security number
010	020

IMPORTANT:Your social security number
is required.**Step 2**Filing
Status

Fill in the circle for your filing status.

065 1 ☐ Single 2 ☐ Married filing joint return (even if only one spouse had income)

066 6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in the circle here **085** ● 6 ☐

Step 3Taxable
IncomeAttach check
or money
order here.

12a State wages from your Form(s) W-2, box 17	12a	200
12b Federal adjusted gross income from your TeleFile Tax Record, line 1; or Form 1040EZ, line 4; or Form 1040A, line 18; or Form 1040, line 33	12b	205
13 Unemployment compensation from your federal TeleFile Tax Record, line D; or Form 1040EZ, line 3; or Form 1040A, line 12; or Form 1040, line 19	13	218
14 Subtract line 13 from line 12b. This is your California adjusted gross income	14	225
15 Did you fill in the circle on line 6? Yes. Complete the California Standard Deduction Worksheet for Dependents on Side 2, Part I. No. If single, enter \$2,711. If married filing joint, enter \$5,422	15	230
16 Subtract line 15 from line 14. This is your taxable income. If it is more than \$50,000, STOP. You must use Form 540A or Form 540. If line 15 is more than line 14, enter -0-	16	235

Step 4Tax and
CreditsAttach copy
of your
Form(s) W-2
here.

17 Tax. Use the amount on line 16 and your filing status in Step 2 to find your tax in the tax table. Enter the tax from the table on this line.	17	240
18 Did you fill in the circle on line 6? Yes. Go to Side 2, Part II. No. If single, enter \$72. If married filing joint, enter \$144	18	245
19 Nonrefundable renter's credit. See page 12	19	327
20 Total credits. Add line 18 and line 19	20	330
23 Subtract line 20 from line 17. This is your total tax. If less than zero, enter -0-	23	355

Step 5Overpaid
Tax or
Tax Due

24 Enter your California income tax withheld from your Form(s) W-2, box 18. If line 24 is more than line 23, go to line 31. Otherwise, go to line 32	24	360
31 Overpaid tax. If line 24 is more than line 23, subtract line 23 from line 24. Enter the result and go to line 34. If line 24 is less than line 23, enter -0- and go to line 32	31	390
32 Tax due. If line 24 is less than line 23, subtract line 24 from line 23. Enter the result and go to line 34	32	395

Step 6Refund or
Amount
You Owe

34 Total contributions. Enter amount from Side 2, Part III, line 13	34	445
35 REFUND or NO AMOUNT DUE. Subtract line 34 from line 31. Enter the result here. Go to Side 2. See Part IV for direct deposit. See Part V to sign your return	35	460
36 AMOUNT YOU OWE. Add line 32 and line 34. Enter the result here. Go to Side 2, Part V to sign your return	36	465

California Standard Deduction Worksheet for Dependents

If you filled in the circle on Side 1, line 6 because someone can claim you (or your spouse, if married) as a dependent, even if that person chooses not to, complete this worksheet to figure the amount to enter on Side 1, line 15.

- | | | |
|----------|--|----------|
| 1 | Enter your total wages, salaries, and tips from all your Form(s) W-2, box 1. (You may also refer to federal Form 1040EZ, line 1; Form 1040A, line 7; or Form 1040, line 7) | 1 |
| 2 | | 2 |
| 3 | Add line 1 and line 2. Enter total here | 3 |
| 4 | Minimum standard deduction | 4 |
| 5 | Compare the amounts on line 3 and line 4 above. Enter the LARGER of the two amounts here | 5 |
| 6 | Maximum standard deduction: { If single, enter \$2,711
If married filing joint, enter \$5,422 } | 6 |
| 7 | Standard deduction. Compare the amounts on line 5 and line 6. Enter the SMALLER of the two amounts here and on Side 1, line 15 | 7 |

If you did not fill in the circle on Side 1, line 6 because no one can claim you (or your spouse, if married) as a dependent, and you are: **Single**, enter \$2,711 on Side 1, line 15; **OR** **Married filing joint**, enter \$5,422 on Side 1, line 15.

Part II

Personal Exemption Chart for Dependents

If you (or your spouse, if married) can be claimed as a dependent, enter the following amount on line 18:

- If single, enter -0-.
- If married filing joint and both you and your spouse can be claimed as dependents, enter -0-.
- If married filing joint and only one of you can be claimed as a dependent, enter \$72.

Part III

Contributions

You may make a voluntary contribution of \$1 or more to the following funds:

- | | | | |
|----|---|--------|----|
| 1 | Alzheimer's Disease/Related Disorders Fund | ◀ 48 ▶ | 1 |
| 2 | California Fund for Senior Citizens | ◀ 49 ▶ | 2 |
| 3 | Rare and Endangered Species Preservation Program | ◀ 50 ▶ | 3 |
| 4 | State Children's Trust Fund for the Prevention of Child Abuse | ◀ 51 ▶ | 4 |
| 5 | California Breast Cancer Research Fund | ◀ 52 ▶ | 5 |
| 6 | California Firefighters' Memorial Fund | ◀ 53 ▶ | 6 |
| 7 | California Public School Library Protection Fund | ◀ 54 ▶ | 7 |
| 8 | D.A.R.E. California (Drug Abuse Resistance Education) Fund | ◀ 55 ▶ | 8 |
| 9 | California Mexican American Veterans' Memorial | ◀ 56 ▶ | 9 |
| 10 | Emergency Food Assistance Program Fund | ◀ 57 ▶ | 10 |
| 11 | California Peace Officer Memorial Foundation Fund | ◀ 58 ▶ | 11 |
| 12 | Birth Defects Research Fund | ◀ 59 ▶ | 12 |
| 13 | Total contributions. Add line 1 through line 12. Enter here and on Side 1, line 34 | | 13 |

Part IV

Direct Deposit Information

To have your refund directly deposited, fill in the boxes below. See page 11.

Routing number

Account type:

710

720

Checking

Savings

Account
number

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief, it is true, correct, and complete.

Your signature

Spouse's signature (if filing joint, both must sign)

Daytime phone number

Sign Here

It is unlawful to forge a spouse's signature.

X

X

Date _____

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge)

Paid Preparer's SSN/FEIN/PTIN

Firm's name (or yours if self-employed)

Firm's address

REFUND or NO AMOUNT DUE (Side 1, line 35): FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000

AMOUNT DUE (Side 1, line 36): FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001

Make your check or money order payable to "Franchise Tax Board." Write your social security number and "1999 Form 540EZ" on your check or money order and attach it to your Form 540EZ. **Do not attach your federal return to this return.**

California Nonresident or Part-Year Resident Income Tax Return 1999

FORM
540NR

Fiscal year filers only: Enter month of year end: month _____ year 2000.

Step 1 Place label here or print Name and Address	Your first name	Initial	Last name	
	030	031	032	025
	If joint return, spouse's first name	Initial	Last name	
	040	041	042	
Present home address — number and street including PO Box or rural route				
050				052
City, town, or post office				
056				058
				059
Apt. no.				PMB no.
054				053
State				ZIP Code
058				059

Step 1a SSN	Your social security number	Spouse's social security number	IMPORTANT: Your social security number is required.
	010	020	

Step 2 Filing Status Fill in only one.	1 <input type="radio"/> Single	2 <input type="radio"/> Married filing joint return (even if only one spouse had income)	060	@062	063	064
	3 <input type="radio"/> Married filing separate return. Enter spouse's social security number above and full name here		070			
	4 <input type="radio"/> Head of household (with qualifying person). STOP. See instructions.					
	5 <input type="radio"/> Qualifying widow(er) with dependent child. Enter year spouse died 19	080				

Step 3 Exemptions Attach check or money order here.	6 If your parent (or someone else) can claim you (or your spouse, if married) as a dependent on his or her tax return, even if he or she chooses not to, fill in this circle	• 6 <input type="radio"/>	085	
	► For line 7, line 8, line 9, and line 11: Multiply the amount you enter in the box by the pre-printed dollar amount for that line.			
	7 Personal: If you filled in 1, 3, or 4 above, enter 1 in the box. If you filled in 2 or 5, enter 2 in the box. If you filled in the circle on line 6, see instructions	090	7 <input type="checkbox"/> X \$72 = \$	091
	8 Blind: If you (or if married, your spouse) are visually impaired, enter 1; if both, enter 2	095	8 <input type="checkbox"/> X \$72 = \$	096
	9 Senior: If you (or if married, your spouse) are 65 or older, enter 1; if both, enter 2	100	9 <input type="checkbox"/> X \$72 = \$	101
	10 Add line 7 through line 9. This is your total exemption credit before the dependent exemption credit	10	Total	\$ 104
Dependent Exemptions	11 Dependents: Enter name and relationship. Do not include yourself or your spouse.			
	*105 +107 110 112 115 117 120 122 125 127 130 132	Total dependent exemption credit	135 11 <input type="checkbox"/> X \$227 = \$ 136	

Step 4 Taxable Income Attach copy of your Form(s) W-2, W-2G, 1099-R, 592-B, 594, 597, and other Forms 1099 showing California tax withheld here.	12 Total California wages from all your Form(s) W-2, box 17	• 12	200
	13 Enter federal adjusted gross income from Form 1040, line 33; Form 1040A, line 18; Form 1040EZ, line 4; TeleFile Tax Record, line I; Form 1040NR, line 33; or Form 1040NR-EZ, line 10	• 13	205
	14 California adjustments — subtractions. Enter the amount from Schedule CA (540NR), line 33, column B	• 14	210
	Caution: If the amount on Schedule CA (540NR), line 33, column B is a negative number, see instructions.		
	15 Subtract line 14 from line 13. If less than zero, enter the result in parentheses. See instructions	• 15	215
	16 California adjustments — additions. Enter the amount from Schedule CA (540NR), line 33, column C	• 16	220
	Caution: If the amount on Schedule CA (540NR), line 33, column C is a negative number, see instructions.		
	17 Adjusted gross income from all sources. Combine line 15 and line 16	• 17	225
	18 Enter the larger of: Your California itemized deductions from Schedule CA (540NR), line 40; OR Your California standard deduction . See instructions	• 18	230
19 Subtract line 18 from line 17. This is your taxable income . If less than zero, enter -0-	• 19	235	

Step 5 Tax	20 CA adjusted gross income from Schedule CA (540NR), line 33, column E	• 20	236	
	22 Tax on the amount shown on line 19. Fill in the circle if from:			
	241 <input type="radio"/> Tax Table <input type="radio"/> Tax Rate Schedules <input type="radio"/> FTB 3800 or <input type="radio"/> FTB 3803	242	243	244
	Caution: If under age 14 and you have more than \$1,400 of investment income, read the line 22 instructions to see if you must attach form FTB 3800.			
	23 Exemption credits. If the amount on line 13 is more than \$119,813, see instructions. Otherwise add line 10 and line 11 and enter the result on line 23	23	245	
	24 Subtract line 23 from line 22. If less than zero, enter -0-	24	250	
	25a Ratio. Enter the ratio from Schedule CA (540NR), line 34	25a	251	
	25b Multiply line 24 by the ratio on line 25a	25b	252	
	26 Tax. Fill in circle if from <input type="radio"/> Schedule G-1, Tax on Lump-Sum Distributions; and <input type="radio"/> form FTB 5870A, Tax on Accumulation Distribution of Trusts	253	254	26
	27 Add line 25b and line 26. Continue to Side 2	• 27	260	

Step 6

Special Credits and Nonrefundable Renter's Credit

28	Amount from Side 1, line 27	28	300
31	Credit for joint custody head of household. See instructions	31	301
32	Credit for dependent parent. See instructions	32	302
33	Credit for senior head of household. See instructions	33	303
36	Add line 31 through line 33. Multiply the total by the ratio on Side 1, line 25a	36	304
37	Enter credit name 306 code no. 307 and amount	37	310
38	Enter credit name 311 code no. 312 and amount	38	315
39	To claim more than two credits, see instructions	39	325
40	Nonrefundable renter's credit. See instructions for "Step 6"	40	327
42	Add line 36 through line 40. These are your total credits	42	330
43	Subtract line 42 from line 28. If less than zero, enter -0-	43	335

Step 7

Other Taxes

44	Alternative minimum tax. Attach Schedule P (540NR)	44	340
45	Other taxes and credit recapture. See instructions	45	350
46	Add line 43 through line 45. This is your total tax	46	355

Step 8

Payments

47	California income tax withheld. Enter total from your 1999 Form(s) W-2, W-2G, 1099-MISC, 1099-R, 592-B, 594, or 597. Also attach the form(s) to Side 1	47	360	357
48	1999 CA estimated tax; amount applied from 1998 return, etc. See instructions	48	365	@367
50	Excess SDI. See instructions	50	370	
51	Add line 47 through line 50. These are your total payments	51	375	

Step 9

Overpaid Tax or Tax Due

52	Overpaid tax. If line 51 is more than line 46, subtract line 46 from line 51	52	380
53	Amount of line 52 you want applied to your 2000 estimated tax	53	385
54	Overpaid tax available this year. Subtract line 53 from line 52	54	390
55	Tax due. If line 51 is less than line 46, subtract line 51 from line 46	55	395

Step 10

Contributions

56	Contribution to California Seniors Special Fund. See instructions	56	400	63	California Public School Library Protection Fund	63	432	00
57	Alzheimer's Disease/Related Disorders Fund	57	405	64	D.A.R.E. California (Drug Abuse Resistance Education) Fund	64	435	00
58	California Fund for Senior Citizens	58	410	65	California Mexican American Veterans' Memorial	65	436	00
59	Rare and Endangered Species Preservation Program	59	415	66	Emergency Food Assistance Program Fund	66	437	00
60	State Children's Trust Fund for the Prevention of Child Abuse	60	420	67	California Peace Officer Memorial Foundation Fund	67	438	00
61	California Breast Cancer Research Fund	61	425	68	Birth Defects Research Fund	68	439	00
62	California Firefighters' Memorial Fund	62	431					
69	Add line 56 through line 68. These are your total contributions	69	445					

Step 11

Refund or Amount You Owe

70	REFUND OR NO AMOUNT DUE. Subtract line 69 from line 54. Mail to: FRANCHISE TAX BOARD, PO BOX 942840, SACRAMENTO CA 94240-0000	70	460
71	AMOUNT YOU OWE. Add line 55 and line 69. Make a check/money order payable to "Franchise Tax Board" for the full amount. Write your social security number and "1999 Form 540NR" on it. Attach it to the front of your Form 540NR and mail to: FRANCHISE TAX BOARD, PO BOX 942867, SACRAMENTO CA 94267-0001	71	465

Step 12

Interest and Penalties

72	Interest, late return penalties, and late payment penalties	72	470
73	Underpayment of estimated tax. Fill in circle: <input type="radio"/> FTB 5805 attached <input type="radio"/> FTB 5805F attached	73	475
74	If you do not need California income tax forms mailed to you next year, fill in the circle	74	477

Step 13

Direct Deposit Information

Routing number	700
Account Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/>	720
Account number	730

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. 3

Sign Here

Your signature ☒ Spouse's signature (if filing joint, both must sign) ☐ () 479

Joint return? See instructions.

Paid preparer's signature (declaration of preparer is based on all information of which preparer has any knowledge) Date Paid Preparer's SSN/FEIN/PTIN

It is unlawful to forge a spouse's signature.

Firm's name (or yours if self-employed) 600 Firm's address 605
610 615 620 625 630

California Resident Income Tax Return 1999

540 2EZ

L A B E L H E R E	Your first name		Initial	Last name	025		P A C R P
	030		031	032			
	If a joint return, spouse's first name		Initial	Last name			
	040		041	042			
Number and street (include PO box or rural route)				Apt. no.	PMB no.		
050				052	054	053	
City				State	ZIP Code		
056				058	059		
Your social security number				If joint return, spouse's social security number			
010				020			

060 @062 064

Fill in the circle for your filing status. See instructions.

- 065 1 ☐ Single 2 ☐ Married filing joint
 4 ☐ Head of household. **Stop!** See instructions.
 5 ☐ Qualifying widow(er) with dependent child. Year spouse died 080.
 7 Enter the number of dependents you are claiming and write their names in the spaces provided 135 7
 Name: *105 +107 Name: 110 112 Name: 115 117

8	Total wages from Form W-2, box 17	8	<input type="text"/>	<input type="text"/>	<input type="text"/>	200	<input type="text"/>	<input type="text"/>
9	Total interest income from Form 1099-INT, box 1	9	<input type="text"/>	<input type="text"/>	<input type="text"/>	202	<input type="text"/>	<input type="text"/>
10	Add line 8 and line 9	10	<input type="text"/>	<input type="text"/>	<input type="text"/>	225	<input type="text"/>	<input type="text"/>
11	Using the table for your filing status, enter the tax for the amount on line 10	11	<input type="text"/>	<input type="text"/>	<input type="text"/>	240	<input type="text"/>	<input type="text"/>
12	Nonrefundable renter's credit. See instructions	12	<input type="text"/>	<input type="text"/>	<input type="text"/>	327	<input type="text"/>	<input type="text"/>
13	Subtract line 12 from line 11. If zero or less, enter -0-	13	<input type="text"/>	<input type="text"/>	<input type="text"/>	355	<input type="text"/>	<input type="text"/>
14	Total tax withheld from Form W-2, box 18 .	14	<input type="text"/>	<input type="text"/>	<input type="text"/>	360	<input type="text"/>	<input type="text"/>
15	Overpaid tax. If line 14 is more than line 13, subtract line 13 from line 14. Enter here and on Side 2, line 17	15	<input type="text"/>	<input type="text"/>	<input type="text"/>	380	<input type="text"/>	<input type="text"/>
16	Tax due. If line 14 is less than line 13, subtract line 14 from line 13. Enter here and on Side 2, line 18	16	<input type="text"/>	<input type="text"/>	<input type="text"/>	395	<input type="text"/>	<input type="text"/>

17 Overpaid tax from Side 1, line 15 17

 380

18 Tax due from Side 1, line 16 18

 395

Voluntary Contributions. See instructions.	Code	Amount
Alzheimer's Disease/Related Disorders Fund	◀ 48 ▶	405
California Fund for Senior Citizens	◀ 49 ▶	410
Rare and Endangered Species Preservation Program	◀ 50 ▶	415
State Children's Trust Fund for the Prevention of Child Abuse	◀ 51 ▶	420
California Breast Cancer Research Fund	◀ 52 ▶	425
California Firefighters' Memorial Fund	◀ 53 ▶	431
California Public School Library Protection Fund	◀ 54 ▶	432
D.A.R.E. California (Drug Abuse Resistance Education) Fund	◀ 55 ▶	435
California Mexican American Veterans' Memorial	◀ 56 ▶	436
Emergency Food Assistance Program Fund	◀ 57 ▶	437
California Peace Officer Memorial Foundation Fund	◀ 58 ▶	438
Birth Defects Research Fund	◀ 59 ▶	439

19 Add all contributions entered above ● 19

 445

20 Refund or no amount due. Subtract line 19
from line 17. For direct deposit of refund,
see below ■ 20

 460

21 Amount you owe. If there is an amount
on line 18, add line 18 and line 19. See
instructions for making your payment ■ 21

 465

467
468

Direct Deposit

Account Type:
Checking **710** Savings **720** Routing number →

 700

Account number →

 730

Under penalties of perjury, I declare that, to the best of my knowledge, the information on this return is true, correct, and complete. It is unlawful to forge a spouse's signature.

Sign here ▶ You: _____ Spouse: _____

Daytime phone number () **479** Date: _____

Paid preparer ▶ **600**

605

610 615 620 625 630

a Control number		22222		Void <input type="checkbox"/>		For Official Use Only ► OMB No. 1545-0008					
b Employer identification number				1 Wages, tips, other compensation		2 Federal income tax withheld					
c Employer's name, address, and ZIP code				3 Social security wages		4 Social security tax withheld					
				5 Medicare wages and tips		6 Medicare tax withheld					
				7 Social security tips		8 Allocated tips					
d Employee's social security number				9 Advance EIC payment		10 Dependent care benefits					
e Employee's name (first, middle initial, last)				11 Nonqualified plans		12 Benefits included in box 1					
f Employee's address and ZIP code				13 See instrs. for box 13		14 Other					
				15 Statutory employee <input type="checkbox"/>		Deceased <input type="checkbox"/>		Pension plan <input type="checkbox"/>		Legal rep. <input type="checkbox"/>	
16 State Employer's state I.D. no.		17 State wages, tips, etc.		18 State income tax		19 Locality name		20 Local wages, tips, etc.		21 Local income tax	

Form **W-2** Wage and Tax Statement **1999**

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Copy A For Social Security Administration—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do NOT Cut, Staple, or Separate Forms on This Page — Do NOT Cut, Staple, or Separate Forms on This Page

3232

☐ CORRECTED

OMB No. 1545-0238

1999**Form W-2G****Certain
Gambling
Winnings**

For Privacy Act and
Paperwork Reduction Act
Notice and instructions for
completing this form, see
the **1999 Instructions for
Forms 1099, 1098, 5498,
and W-2G.**

File with Form 1096.

Copy A
For Internal Revenue
Service Center

PAYER'S name Street address City, state, and ZIP code Federal identification number Telephone number	1 Gross winnings	2 Federal income tax withheld
	3 Type of wager	4 Date won : : : :
	5 Transaction	6 Race
	7 Winnings from identical wagers	8 Cashier
WINNER'S name Street address (including apt. no.) City, state, and ZIP code	9 Winner's taxpayer identification no.	10 Window
	11 First I.D.	12 Second I.D.
	13 State/Payer's state identification no.	14 State income tax withheld
Under penalties of perjury, I declare that, to the best of my knowledge and belief, the name, address, and taxpayer identification number that I have furnished correctly identify me as the recipient of this payment and any payments from identical wagers, and that no other person is entitled to any part of these payments. Signature ► Date ►		

Form **W-2G**

Cat. No. 10138V

Department of the Treasury - Internal Revenue Service

9898

☐ VOID☐ CORRECTED

PAYER'S name, street address, city, state, and ZIP code		1 Gross distribution		OMB No. 1545-0119		Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice and instructions for completing this form, see the 1999 Instructions for Forms 1099, 1098, 5498, and W-2G.
		\$		<div style="font-size: 2em; font-weight: bold;">1999</div> Form 1099-R		
		2a Taxable amount				
\$		2b Taxable amount not determined <input type="checkbox"/>		Total distribution <input type="checkbox"/>		
PAYER'S Federal identification number	RECIPIENT'S identification number	3 Capital gain (included in box 2a)		4 Federal income tax withheld		
		\$		\$		
RECIPIENT'S name		5 Employee contributions or insurance premiums		6 Net unrealized appreciation in employer's securities		
		\$		\$		
Street address (including apt. no.)		7 Distribution code	IRA/SEP/SIMPLE <input type="checkbox"/>	8 Other	%	
				\$		
City, state, and ZIP code		9a Your percentage of total distribution %		9b Total employee contributions \$		
Account number (optional)		10 State tax withheld		11 State/Payer's state no.		
		\$				
		\$				
		13 Local tax withheld		14 Name of locality		
		\$				
		\$				
				15 Local distribution		
				\$		

Form **1099-R**

Cat. No. 14436Q

Department of the Treasury - Internal Revenue Service

Do NOT Cut or Separate Forms on This Page — Do NOT Cut or Separate Forms on This Page

1999 California Adjustments —Residents**CA (540)****Important:** Attach this schedule directly behind Form 540, Side 2.

Name(s) as shown on return

Social security number

Part I Income Adjustment Schedule**Section A — Income**

	A Federal Amounts (taxable amounts from your federal return)	B Subtractions See instructions	C Additions See instructions
7 Wages, salaries, tips, etc. See instructions before making an entry in column B or C	010	020	030
8 Taxable interest income	040	050	060
9 Ordinary dividends	070	080	090
10 State tax refund. Enter the same amount in column A and column B	100	110	
11 Alimony received	120		130
12 Business income or (loss)	140	150	160
13 Capital gain or (loss)	170	180	190
14 Other gains or (losses)	200	210	220
15 Total IRA distributions. See instructions. (a) 230	(b) 240	250	260
16 Total pensions and annuities. See instructions. (a) 270	(b) 280	290	300
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc.	310	320	330
18 Farm income or (loss)	340	350	360
19 Unemployment compensation. Enter the same amount in column A and column B	370	380	
20 Social security benefits (a) 390	(b) 400	410	
21 Other income.		a 430	a
a California lottery winnings		b 440	b
e NOL from FTB 3805Z, 3806, or 3807		c	c 450
b Disaster loss carryover from FTB 3805V		d 460	d
f Other (describe)		e 480	e
c Federal NOL (Form 1040, line 21)	*500 +510 +520	f 570	f 580
d NOL carryover from FTB 3805V	530 540 550		
21 420			
22 Total. Combine line 7 through line 21 in column A. Add line 7 through line 21f in column B and column C. Go to Section B	590	600	610

Section B — Adjustments to Income

23 IRA deduction	23 620		
24 Student loan interest deduction	24 630		
25 Medical savings account deduction	25 660		
26 Moving expenses.	26 680		
27 One-half of self-employment tax	27 700		
28 Self-employed health insurance deduction	28 780		
29 Keogh and self-employed SEP and SIMPLE plans	29 910		
30 Penalty on early withdrawal of savings	30 940		
31a Alimony paid. (b) Recipient's: SSN *960 - -			
Last name +970 +975	31a 950		955
32 Add line 23 through line 31a in columns A, B, and C. *980 +990	32 993	995	1000
33 Total. Subtract line 32 from line 22 in columns A, B, and C. See the instructions for how to transfer the total to Form 540	33 1010	1020	1030

Part II Adjustments To Federal Itemized Deductions

35 Federal itemized deductions. Add the amounts on federal Sch. A (Form 1040), lines 4, 9, 14, 18, 19, 26, and 27	35 1040
36 Enter total of federal Sch. A, line 5 (state and local income tax and State Disability Insurance) and line 8 (foreign taxes only)	36 1050
37 Subtract line 36 from line 35	37 1060
38 Other adjustments including California lottery losses. See instructions. Specify *1070	38 +1080
39 Combine line 37 and line 38	39 1090
40 Is the amount on Form 540, line 13 more than the amount shown below for your filing status?	
Single or married filing separate \$119,813	
Head of household \$179,720	
Married filing joint or qualifying widow(er) \$239,628	
NO. Transfer the amount on line 39 to line 40.	
YES. Complete the Itemized Deductions Worksheet in the instructions for Sch. CA (540), line 40.	
Is the amount you entered on line 40 more than your standard deduction below?	
Single or married filing separate \$2,711	
Married filing joint, head of household, or qualifying widow(er) \$5,422	
YES. Transfer the amount on line 40 to Form 540, line 18.	
NO. Enter your standard deduction on Form 540, line 18.	
	40 1110

1999**Depreciation and Amortization Adjustments**

Do not complete this form if your California depreciation amounts are the same as federal amounts.

3885A

Name(s) as shown on return

Business or activity to which Form FTB 3885A relates

Social security number

010**Part I Identify the activity as passive or nonpassive.** (See instructions.)**020** ☐ This form is being completed for a passive activity. **030** ☐ This form is being completed for a nonpassive activity.**Part II Election to Expense Certain Tangible Property (IRC Section 179).****2** Enter the amount from line 11 of the worksheet in the instructions **2** **035****Part III Depreciation**

	(a) Description of property placed in service during 1999	(b) Date placed in service	(c) California basis for depreciation	(d) Method	(e) Life or rate	(f) 1999 California depreciation deduction
3	*040	+050	+060	+080	+090	+100
	140	150	160	180	190	200
	240	250	260	280	290	300
	340	350	360	380	390	400
	440	450	460	480	490	500
4	Add the amounts on line 3, column (f)					840
5	California depreciation for assets placed in service prior to 1999					860
6	Total California depreciation from this activity. Add the amounts on line 2, line 4 and line 5					870
7	Total federal depreciation from this activity. Enter depreciation from your federal Form 4562, line 21					880
8 a	If line 6 is more than line 7, enter the difference here and see instructions					940
8 b	If line 6 is less than line 7, enter the difference here and see instructions					950

Part IV Amortization

	(a) Description of cost amortizable during 1999	(b) Date placed in service	(c) California basis for amortization	(d) Code section	(e) Period or percentage	(f) 1999 California amortization deduction
9	*960	+970	+980	+990	+1000	+1010
	1020	1030	1040	1050	1060	1070
	1080	1090	1100	1110	1120	1130
	1140	1150	1160	1170	1180	1190
	1191	1192	1193	1194	1195	1196
10	Total California amortization from this activity. Add the amounts on line 9, column (f)					1200
11	California amortization of costs that began before 1999					1210
12	Total California amortization from this activity. Add the amounts on line 10 and line 11					1220
13	Total federal amortization from this activity. Enter amortization from your federal Form 4562, line 42					1230
14 a	If line 12 is more than line 13, enter the difference here and see instructions					1240
14 b	If line 12 is less than line 13, enter the difference here and see instructions					1250

TAXABLE YEAR

1999**California Capital Gain or Loss Adjustment**

Do not complete this schedule if all of your California gains (losses) are the same as your federal gains (losses).

SCHEDULE

D

	(a) Description of property (identify S corporation stock) Example 100 shares of "Z" (S stock)	(b) Sales price	(c) Cost or other basis	(d) Loss. If (c) is more than (b), subtract (b) from (c)	(e) Gain. If (b) is more than (c), subtract (c) from (b)
1a	*010	+020	+030	+040	+050
	060	070	080	090	100
	110	120	130	140	150
1b	160	170	180	190	200
2	Net gain or (loss) shown on California Schedule(s) K-1 (541, 565, 568, and 100S)			210	220
3	Capital gain distributions (federal Form 1099-DIV, box 2a minus box 2d)				222
4	Total 1999 gains from all sources. Add column (e) amounts of line 1a, line 1b, line 2, and line 3				230
5	1999 loss. Add column (d) amounts of line 1 and line 2			240	
6	California capital loss carryover from 1998, if any. See instructions			250	
7	Total 1999 loss. Add line 5 and line 6			260	
8	Combine line 4 and line 7. If a loss, go to line 9. If a gain, go to line 10				270
9	If line 8 is a loss, enter the smaller of: (a) the loss on line 8; or (b) \$3,000 (\$1,500 if married filing a separate return). See instructions				280
10	Enter the amount from federal Form 1040, line 13				290
11	Enter the California gain from line 8 or loss from line 9				300
12 a	If line 10 is more than line 11, enter the difference here and on Schedule CA (540 or 540NR) line 13, col. B				310
12 b	If line 10 is less than line 11, enter the difference here and on Schedule CA (540 or 540NR), line 13, col. C				320

California Adjustments — Nonresidents or Part-Year Residents

CA (540NR)

Important: Attach this schedule directly behind Form 540NR, Side 2.

Name(s) as shown on return

Social security number

Part I Residency Information. You must complete all lines that apply to you and your spouse.

	Yourself	Spouse
During 1999		
1 a I was domiciled in (enter state)	1200	1210
b I was in the military and stationed in (enter state or country)	1220	1230
2 I became a California resident (enter the state of prior residence and date of move)	1240	1250
3 I became a nonresident (enter new state of residence and date of move)	1260	1270
4 I was a nonresident of California the entire year (enter state or country of residence)	1280	1290
5 The number of days I spent in California (for any purpose) is:	1300	1310
6 I owned a home/property in California (enter "yes" or "no")	1320	1330
Before 1999:		
7 I was a California resident for the period of (enter dates)	1340	1350
8 I entered California on (enter date)	1360	1370
9 I left California on (enter date)	1380	1390

Part II Income Adjustment Schedule**Section A —Income**

	A Federal Amounts (taxable amounts from your federal return)	B Subtractions See instructions	C Additions See instructions	D Total Amounts Using CA Law (subtract column B from column A; add column C to the result)	E CA Amounts (income earned or received as a CA resident and income earned or received from CA sources as a nonresident)
7 Wages, salaries, tips, etc. See instructions before making an entry in column B or C	7 010	020	030	032	034
8 Taxable interest income	8 040	050	060	062	064
9 Ordinary dividends	9 070	080	090	092	094
10 State tax refund. Enter the same amount in column A and column B	10 100	110			
11 Alimony received	11 120		130	132	134
12 Business income or (loss)	12 140	150	160	162	164
13 Capital gain or (loss)	13 170	180	190	192	194
14 Other gains or (losses)	14 200	210	220	222	224
15 Total IRA distributions. See instructions. (a) 230	(b) 240	250	260	262	264
16 Total pensions and annuities. See instructions. (a) 270	(b) 280	290	300	302	304
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc.	17 310	320	330	332	334
18 Farm income or (loss)	18 340	350	360	362	364
19 Unemployment compensation	19 370	380			
20 Social security benefits (a) 390	(b) 400	410			
21 Other income.					
a California lottery winnings		a 430			
b Disaster loss carryover from FTB 3805V		b 440			
c Federal NOL (Form 1040, line 21)		c	450		
d NOL carryover from FTB 3805V	21 420	d 460			
e NOL from FTB 3805Z, FTB 3806, or FTB 3807		e 480			
f Other (describe) *500 +510 +520		f 570	580		
	530 540 550			21 582	21 584
22a Total: Combine line 7 through line 21 in each column. Continue to Side 2	22a 590	600	610	612	614

Income Adjustment Schedule

	A	B	C	D	E
Section B—Adjustments to Income	Federal Amounts (taxable amounts from your federal return)	Subtractions See instructions	Additions See instructions	Total Amounts Using CA Law (subtract column B from column A; add column C to the result)	CA Amounts (income earned or received as a CA resident and income earned or received from CA sources as a nonresident)
22b Enter totals from Schedule CA (540NR), Side 1, line 22a, column A through column E ... 22b	615	616	617	618	619
23 IRA deduction ... 23	620			622	624
24 Student loan interest deduction ... 24	630			632	634
25 Medical savings account deduction ... 25	660			662	664
26 Moving expenses ... 26	680			692	694
27 One-half of self-employment tax ... 27	700			772	774
28 Self-employed health insurance deduction ... 28	780			792	794
29 Keogh/self-employed SEP/SIMPLE plans ... 29	910			912	914
30 Penalty on early withdrawal of savings ... 30	940			942	944
31a Alimony paid. (b) Enter recipient's: SSN _____ - *960 Full name +970 +975 ... 31a	950		955	956	957
32 Add line 23 through line 31a *980 +990 in each column, A through E ... 32	993	995	1000	1002	1004
33 Total. Subtract line 32 from line 22b in each column, A through E ... 33	1010	1020	1030	1032	1034
34 Ratio. Divide line 33, column E by line 33, column D. Carry the decimal to five places. Then round it to four places by dropping amounts 4 and under (.44454 becomes .4445) and rounding up to the next number for amounts 5 and over (.44455 becomes .4446). This number may be greater than 1.0000. Enter the result here and on Form 540NR, line 25a. Note: If the result is zero or less, enter -0- on Form 540NR, line 25a ... 34					1036

Part III Adjustments to Federal Itemized Deductions

35 Federal itemized deductions. Add the amounts on federal Schedule A (Form 1040), lines 4, 9, 14, 18, 19, 26, and 27 (or Schedule A (Form 1040NR), lines 3, 7, 8, 15, and 16) ... 35	1040
36 Enter total of federal Schedule A, line 5 (state and local income tax and State Disability Insurance) and line 8 (foreign taxes only) ... 36	1050
37 Subtract line 36 from line 35 ... 37	1060
38 Other adjustments including California lottery losses. See instructions. Specify *1070 ... 38	+1080
39 Combine line 37 and line 38 ... 39	1090

40 California itemized deductions

**Is your federal AGI (Form 540NR, line 13)
more than the amount shown below for
your filing status?**

Single or married filing separate \$119,813
Head of household \$179,720
Married filing joint or qualifying
widow(er) \$239,628

NO. Transfer the amount on line 39 to line 40.
YES. Complete the Itemized Deductions Worksheet
in the instructions for Schedule CA (540NR),
line 40.

**Is the amount you entered on line 40 more
than your standard deduction below?**

Single or married filing separate \$2,711
Married filing joint, head of household, or
qualifying widow(er) \$5,422

YES. Transfer the amount on line 40
to Form 540NR, line 18.
NO. Enter your **standard deduction** on
Form 540NR, line 18.

40 **1110**

1999**Sales of Business Property**

(Also, involuntary conversions and recapture amounts under IRC Sections 179 and 280F and R&TC Sections 17266, 17267.2, 17267.6, 17268, 24356.4, 24356.5, 24356.7, and 24356.8.)

D-1

Complete and attach this schedule to your tax return only if your California gains or losses are different from your federal gains or losses.

Name(s) as shown on return

Social security or California corp. number

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft – Property Held More Than 1 Year

FEIN

Note: Use federal Form 4684, Casualties and Thefts, to report involuntary conversions from casualty and theft.

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1999 on federal Form(s) 1099-S, Proceeds From Real Estate Transactions (or a substitute statement), that you will be including on line 2 or line 10, (column (d)), or on line 23						1	010	
2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (Loss) Subtract (f) from the sum of (d) and (e)	
	*020	+030	+040	+050	+060	*+070	+080	
	100	110	120	130	140	150	160	
	180	190	200	210	220	230	240	
3	Gain, if any, from federal Form 4684, Section B, Part II, line 39						3	260
4	IRC Section 1231 gain from installment sales from form FTB 3805E, line 26 or line 37						4	270
5	IRC Section 1231 gain or (loss) from like-kind exchanges from federal Form 8824 (completed using California amounts)						5	275
6	Gain, if any, from Part III, line 35, from other than casualty and theft						6	280
7	Combine line 2 through line 6. Enter gain or (loss) here and on the appropriate line as follows:						7	290
Partnerships or Limited Liability Companies: Enter the gain or (loss) on Schedule K (565 or 568), line 6. Skip lines 8, 9, 11, and 12 below. S corporations: Report the gain or (loss) following the instructions for Schedule K (100S), line 5 and line 6. If line 7 is a gain, continue to line 8. If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. All others: If line 7 is zero or a loss, enter the amount on line 11 below and skip line 8 and line 9. If line 7 is a gain and you did not have any prior year IRC Section 1231 losses, or they were recaptured in an earlier year, enter the gain as follows: Form 540 and Form 540NR filers , enter the gain on Schedule D, line 1, and skip lines 8, 9, and 12 below; Form 100 filers , enter the gain on Schedule D, Part II, line 6, and skip lines 8, 9, and 12 below.								
8	Nonrecaptured net IRC Section 1231 losses from prior years. Enter as a positive number. See instructions						8	320
9	Subtract line 8 from line 7. If zero or less, enter -0-						9	330
S corporations: If line 9 is more than zero, enter this amount on Schedule D (100S), Section A, Part III, line 7 or Schedule D (100S), Section B, Part II, line 5 and enter the amount, if any, from line 8 on line 12 below. If line 9 is zero, enter the amount from line 7 on line 12 below. All others: If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as follows: Form 540 and 540NR filers , enter as a capital gain on Schedule D, line 1; Form 100 filers , enter the gain on Schedule D, Part II, line 6. If line 9 is zero, enter the amount from line 7 on line 12 below. See instructions.								

Part II Section A – Ordinary Gains and Losses

10 Ordinary gains and losses not included on line 11 through line 17 (include property held 1 year or less):								
*340	+350	+360	+370	+380	*+390	+400		
420	430	440	450	460	470	480		
500	510	520	530	540	550	560		
11	Loss, if any, from line 7						11	(580)
12	Gain, if any, from line 7, or amount from line 8, if applicable. See instructions						12	590
13	Gain, if any, from Part III, line 34						13	600
14	Net gain or (loss) from federal Form 4684, Section B, Part II, line 31 and line 38a (completed using California amounts)						14	610
15	Ordinary gain from installment sales from form FTB 3805E, line 25 or line 36 (applies only to sales before 1/1/85)						15	630
16	Ordinary gain or (loss) from line-kind exchanges from federal Form 8824 (completed using California amounts)						16	635
17	Recapture of IRC Section 179 and R&TC Sections 17266, 17267.2, 17267.6, and 17268 deductions for partners, members, and S corporation shareholders from property dispositions by partnerships, limited liability companies, and S corporations. See instructions						17	640
18	Combine line 10 through line 17. Enter gain or (loss) here and on the appropriate line as follows						18	670
a For all except individual returns, see instructions. b For individual returns:								
(1) If the loss on line 11 includes a loss from federal Form 4684, Section B, Part II, column (b)(ii), enter that part of the loss here. See instructions							18b(1)	680
(2) Redetermine the gain or (loss) on line 18, excluding the loss, if any, on line 18b(1). Enter here and on line 20							18b(2)	690

Part II Section B – Adjusting California Ordinary Gain or Loss For individual returns only.

19	Enter ordinary federal gains and losses from federal Form 1040, line 14	19	736
20	Enter ordinary California gains and losses from line 18b(2)	20	737
21	Ordinary gain or loss adjustment: Compare line 19 and line 20. See instructions.		
a	If line 19 is more than line 20, enter the difference here and on Schedule CA (540 or 540NR), line 14, column B	21a	738
b	If line 20 is more than line 19, enter the difference here and on Schedule CA (540 or 540NR), line 14, column C	21b	739

Part III Gain from Disposition of Property Under IRC Sections 1245, 1250, 1252, 1254, and 1255

22 Description of IRC Sections, 1245, 1250, 1252, 1254, and 1255 property:			Date acquired (mo., day, yr.)	Date sold (mo., day, yr.)		
A	*740		+750	+760		
B	820		830	840		
C	900		910	920		
D	980		990	1000		
Relate lines 22A through 22D to these columns ▶ ▶ ▶		Property A	Property B	Property C	Property D	
23	Gross sales price	23	+770	850	930	1010
24	Cost or other basis plus expense of sale	24	+780	860	940	1020
25	Depreciation (or depletion) allowed or allowable	25	*+790	870	950	1030
26	Adjusted basis. Subtract line 25 from line 24	26	+800	880	960	1040
27	Total gain. Subtract line 26 from line 23	27	+810	890	970	1050
28 If IRC Section 1245 property:						
a	Depreciation allowed or allowable	28a	*1060	1080	1100	1120
b	Enter the smaller of line 27 or line 28a	28b	+1070	1090	1110	1130
29 If IRC Section 1250 property: If straight-line depreciation was used, enter -0- on line 29g, except for a corporation subject to IRC Sec. 291:						
a	Additional depreciation after 12/31/76. See instructions ..	29a	*1140	1210	1280	1350
b	Applicable percentage multiplied by the smaller of line 27 or line 29a. See instructions	29b	+1150	1220	1290	1360
c	Subtract line 29a from line 27. If line 27 is not more than line 29a, skip line 29d and line 29e	29c	+1160	1230	1300	1370
d	Additional depreciation after 12/31/70 and before 1/1/77. See instructions	29d	+1170	1240	1310	1380
e	Enter the smaller of line 29c or line 29d	29e	*+1180	1250	1320	1390
f	IRC Section 291 amount (for corporations only). See instructions	29f	+1190	1260	1330	1400
g	Add line 29b, line 29e, and line 29f	29g	+1200	1270	1340	1410
30 If IRC Section 1252 property: Skip this section if you did not dispose of farm land or if this form is being completed for a partnership.						
a	Soil, water, and land clearing expenses	30a	*1420	1450	1480	1510
b	Applicable percentage multiplied by line 30a. See instructions ..	30b	+1430	1460	1490	1520
c	Enter the smaller of line 27 or line 30b	30c	+1440	1470	1500	1530
31 If IRC Section 1254 property:						
a	Intangible drilling and development costs deducted after 12/31/76	31a	*1540	1560	1580	1600
b	Enter the smaller of line 27 or line 31a	31b	+1550	1570	1590	1610
32 If IRC Section 1255 property:						
a	Applicable percentage of payments excluded from income under IRC Section 126	32a	*1620	1640	1660	1680
b	Enter the smaller of line 27 or line 32a	32b	+1630	1650	1670	1690

Summary of Part III Gains. Complete property column A through column D for line 23 through line 32b before going to line 33.

33	Total gains for all properties. Add column A through column D of line 27	33	1700
34	Add column A through column D of lines 28b, 29g, 30c, 31b, and 32b. Enter here and in Part II, line 13	34	1710
35	Subtract line 34 from line 33. Enter the portion from other than casualty and theft here and on Part I, line 6. Enter the portion from casualty and theft on federal Form 4684, Section B, line 33	35	1720

Part IV Recapture Amounts Under IRC Sections 179 and 280F When Business Use Drops to 50% or Less, or Under R&TC Sections 17266, 17267.2, 17267.6, 17268, 24356.4, 24356.5, 24356.7, and 24356.8 for Property Which Ceases to be Qualified Property

		(a) Expense Deductions	(b) Recovery Deductions
36	Expense deductions or recovery deductions. See instructions	36 *1760	+1770
37	Depreciation or recovery deductions. See instructions	37 1780	1790
38	Recapture amount. Subtract line 37 from line 36. See instructions	38 1810	1820

1999**Tax on Lump-Sum Distributions**

Attach to Form 540, 540NR, or 541. Use this form only for lump-sum distributions from qualified retirement plans.

G-1

Name(s) as shown on return

Social security number or FEIN

010**020****Part I****Complete this part to see if you qualify to use Schedule G-1.**

Yes No

- 1 Was this a distribution of a plan participant's entire balance from all of an employer's qualified plans of one kind (pension, profit-sharing, or stock bonus)? If "No," do not complete the rest of this form 1 ☐ 024 ☐ 026
- 2 Did you roll over any part of the distribution? If "Yes," do not complete the rest of this form 2 ☐ 030 ☐ 040
- 3 Was this distribution paid to you as a beneficiary of a plan participant who died after reaching age 59½ (or who was born before 1936)? 3 ☐ 042 ☐ 044
- 4 Were you a plan participant who received this distribution after reaching age 59½ and after having been in the plan for at least 5 years before the year of distribution? 4 ☐ 084 ☐ 086
- If you answered "No" to both questions 3 and 4, do not complete the rest of this form.
- 5 Did you use Schedule G-1 in a prior year for any distribution received after 1986 for the same plan participant, including yourself, for whom the 1999 distribution was made? If "Yes," do not complete the rest of this form 5 ☐ 190 ☐ 200

Part II**Complete this part to choose the 5.5% capital gain election. See instructions.** Do not complete this part unless the participant was born **before** 1936.

- 6 Capital gain part from federal Form 1099-R, box 3. If you are taking the death benefit exclusion, see the instructions for line 6 6 **220**
- 7 Multiply line 6 by 5.5% (.055) and enter here. If you elect to use Part III, go to line 8. Otherwise, enter the amount from line 7 on Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b 7 **230**

Part III**Complete this section for the 5-year or 10-year averaging method. If you used a federal averaging method, you must use the same method for California.** See instructions.

- 8 Ordinary income from federal Form 1099-R, box 2a minus box 3. If you did not complete Part II, enter the amount from federal Form 1099-R, box 2a. See instructions **240** 8 **250**
- 9 Death benefit exclusion for a beneficiary of a plan participant who died before August 21, 1996. See instructions 9 **260**
- 10 Total taxable amount. Subtract line 9 from line 8 10 **270**
- 11 Current actuarial value of annuity, if applicable, from federal Form 1099-R, box 8 11 **280**
- 12 Adjusted total taxable amount. Add line 10 and line 11. If this amount is \$70,000 or more, skip line 13 through line 16, and enter this amount on line 17 12 **290**
- 13 Multiply line 12 by 50% (.50), but do not enter more than \$10,000 13 **300**
- 14 Subtract \$20,000 from line 12 and enter the difference. If the result is zero or less, enter -0- 14 **310**
- 15 Multiply line 14 by 20% (.20) 15 **320**
- 16 Minimum distribution allowance. Subtract line 15 from line 13 16 **330**
- 17 Subtract line 16 from line 12 17 **340**

5-year averaging method

- 18 Multiply line 17 by 20% (.20) 18 **350**
- 19 Tax on amount on line 18. Use Tax Rate Schedule 1 on page 3 19 **360**
- 20 Multiply line 19 by five (5). If line 11 is blank, skip line 21 through line 26 and enter this amount on line 27. Otherwise, continue to line 21 20 **370**
- 21 Divide line 11 by line 12 (rounded to four places). See instructions 21 **380**
- 22 Multiply line 16 by the decimal amount on line 21 22 **390**
- 23 Subtract line 22 from line 11 23 **400**
- 24 Multiply line 23 by 20% (.20) 24 **410**
- 25 Tax on amount on line 24. Use Tax Rate Schedule 1 on page 3 25 **420**
- 26 Multiply line 25 by five (5) 26 **430**
- 27 Subtract line 26 from line 20 27 **440**
- 28 Tax on lump-sum distribution. Add Part II, line 7 and Part III, line 27 28 **450**

Part III continued on the next page.

Part III Continued from Side 1.

10-year averaging method. Complete line 29 through line 39 only if the participant was born **before** 1936. Otherwise, enter the amount from line 28 on line 40.

29	Multiply line 17 by 10% (.10)	29	510
30	Tax on amount on line 29. Use Tax Rate Schedule 2 on page 3	30	520
31	Multiply line 30 by ten (10). If line 11 is blank, skip line 32 through line 37 and enter this amount on line 38. Otherwise, continue to line 32	31	530
32	Divide line 11 by line 12 (rounded to four places). See instructions	32	540
33	Multiply line 16 by the decimal amount on line 32	33	550
34	Subtract line 33 from line 11	34	560
35	Multiply line 34 by 10% (.10)	35	570
36	Tax on amount on line 35. Use Tax Rate Schedule 2 on page 3	36	580
37	Multiply line 36 by ten (10)	37	590
38	Subtract line 37 from line 31	38	600
39	Tax on lump-sum distribution. Add Part II, line 7 and Part III, line 38 If you used a federal averaging method for the lump-sum distribution, STOP. See instructions in Part III.	39	610
40	Compare line 28 and line 39. Enter the smaller amount here and on Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b	40	620

Instructions for Schedule G-1

Tax on Lump-Sum Distributions

Important

California does not impose tax on distributions from qualified retirement plans received by nonresidents after December 31, 1995.

Under California and federal law, the \$5,000 employer-provided death benefit exclusion has been repealed. Payments received in 1999 on behalf of decedents dying on or after August 21, 1996, do not qualify for the exclusion.

General Information

A Purpose

If you received a qualified lump-sum distribution in 1999, and meet the age requirements, you can use Schedule G-1 to figure your tax by special methods that may result in less tax.

California law regarding special averaging methods on lump-sum distributions is generally the same as federal law. However, your California basis in your pension plan may differ from your federal basis. If you received a lump-sum distribution from a Keogh plan, your California basis includes the contributions that were not deductible for California purposes because they exceeded the California deduction limit for years prior to 1987. Get FTB Pub. 1005, Pension and Annuity Guidelines, for more information.

Note: For federal purposes, any capital gain is reduced by the amount of related estate tax. Since California has no estate tax, there is no comparable reduction.

Early Distribution. If you received an early distribution from a qualified retirement plan, you may have to pay an additional 2½% tax, unless the distribution meets one of the exceptions. Get form FTB 3805P, Additional Taxes Attributable to IRA, Other Qualified Retirement Plans, Annuities, Modified Endowment Contracts, and MSAs.

B Who Can Use The Form

If you received a qualified lump-sum distribution and were born before 1936 or reached age 59½ before you received the distribution, you can use Schedule G-1. If you received a qualifying distribution as a beneficiary after a participant's death, the deceased must have been born before 1936 or have reached age 59½ for you to use this form for that distribution.

To determine if the distribution qualifies, see the instructions for federal Form 4972, Tax on Lump-Sum Distributions From Qualified Retirement Plans.

C How To Use The Form

Use Schedule G-1 with Form 540, California Resident Income Tax Return or Form 540NR, California Nonresident or Part-Year Resident Income Tax Return or Form 541, California Fiduciary Income Tax Return to:

- Choose the 5.5% capital gain method by completing Part II;
- Choose the 5- or 10-year averaging method by completing Part III; and
- Figure tax using the 5- or 10-year averaging method, which taxes the ordinary income part of the lump-sum distribution in the current year as if you received it in equal parts over 5 or 10 years.

5- or 10-Year Averaging Method & Capital Gain Election. If the participant was born before 1936, you can use Part III to choose the 5- or 10-year averaging method to figure your tax on the lump-sum distribution. You can choose either option whether or not you make the 5.5% capital gain election described in General Information F, Capital Gain Election.

If the participant was born after 1935 but the distribution was made on or after the date the participant reached age 59½, you can choose the 5-year averaging method to figure your tax on the lump-sum distribution. You cannot use either the

10-year averaging method or the 5.5% capital gain election.

If you use either special averaging method mentioned above, you must use it for all lump-sum distributions you receive in one taxable year.

Note: Except for the capital gain election, you must choose the same special averaging method for California that you choose for federal purposes. See instructions in Part III.

Distribution Statement. The payer should have given you federal Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. or other statement that shows the separate parts of your distribution. The amounts you will use from federal Form 1099-R in filling out Schedule G-1 are capital gain (box 3); ordinary income (box 2a minus box 3); total of ordinary income plus capital gain (box 2a); net unrealized appreciation (NUA) in employer's securities (box 6); and, if it applies, the current actuarial value of an annuity (box 8). If you do not have a statement that shows this information, ask the payer for one that does show it.

D How Often You Can Choose

After 1986, you may choose to use Schedule G-1 only once for each plan participant. If you receive more than one lump-sum distribution for the same plan participant in 1 tax year, you must treat all those distributions in the same way. Combine them on a single Schedule G-1.

If you make an election as a beneficiary of a deceased participant, it does not affect any election you can make for qualified lump-sum distributions from your own plan. You can also make a separate election as the beneficiary of more than one qualifying person.

1999 Head of Household (HOH) Attachment

1. Look at the chart below to identify the relationship of the person you believe qualified you for the HOH filing status. Enter the code number for that relationship in the code box to the right.

Code

Relationship	Code
Son, Daughter, Stepson, or Stepdaughter	1
Grandchild	2
Foster Child	3
Father or Mother	4
Brother, Sister, Grandfather, Grandmother, Stepbrother, Stepsister, Stepfather, Stepmother, Son-in-law, Daughter-in-law, Father-in-law, Mother-in-law, Brother-in-law, or Sister-in-law	5
Uncle or Aunt (brother or sister of your parent) or Nephew or Niece (child of your brother or sister)	6
Other (You cannot claim yourself, your spouse, or your tax preparer.)	7

2. For 1999, are you entitled to claim a dependent exemption credit for the person you believe qualified you for the HOH filing status?

Yes No

3. Did the person you believe qualified you for the HOH filing status live with you the entire year in 1999?

Yes. Skip Question 4. Go to Question 5.

No. List the beginning and ending dates of each period the person lived with you during 1999.

From _____ To _____ From _____ To _____
 MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR

From _____ To _____ From _____ To _____
 MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR

4. Select the code that best explains the main reason your qualifying individual did not live with you the entire year. Enter the code in the box to the right.

Code

Main Reason	Code
Lived away at school	A
Military Service	B
Hospital	C
Birth or Death	D
College	E
Lived with other parent	F
Moved out	G
Other	H

5. On December 31, 1999, were you legally married?

Yes No

6. Did you live with your spouse at any time during 1999?

Yes. List the beginning and ending dates of each period that you lived with your spouse during 1999.

No

From _____ To _____ From _____ To _____
 MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR

From _____ To _____ From _____ To _____
 MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR MONTH DAY YEAR

1999**Alternative Minimum Tax and
Credit Limitations—Residents****P (540)**

Attach this schedule to Form 540.

Name(s) as shown on Form 540

Your social security number

Part I Adjustments and Preferences Important: See instructions for information regarding California/federal differences.

1	If you itemized deductions, go to line 2. If you did not itemize deductions, enter your standard deduction from Form 540, line 18, and go to line 6	1	010	
2	Medical and dental expense. Enter the smaller of Schedule A, Form 1040, line 4, or 2 1/2% of Form 1040, line 34	2	020	
3	Personal property taxes and real property taxes. See instructions	3	030	
4	Certain interest on a home mortgage not used to buy, build, or improve your home. See instructions	4	040	
5	Miscellaneous itemized deductions. See instructions	5	050	
6	Refund of personal property taxes and real property taxes. See instructions	6	(060)	
Caution: Do not include your state income tax refund on this line.				
7	Investment interest expense adjustment. See instructions	7	070	
8	Post-1986 depreciation. See instructions	8	080	
9	Adjusted gain or loss. See instructions	9	090	
10	Incentive stock options and California qualified stock options (CQSOs). See instructions	10	100	
11	Passive activities adjustment. See instructions	11	110	
12	Beneficiaries of estates and trusts. Enter the amount from Schedule K-1 (541), line 8	12	120	
13	Other. Enter the amount, if any, for each item, a through o, and enter the total on line 13. See instructions.			
a	Appreciated contributions	130		
b	Circulation expenditures	140		
c	Depletion	150		
d	Depreciation (pre-1987)	160		
e	Installment sales	170		
f	Intangible drilling costs	180		
g	Long-term contracts	190		
h	Loss limitations	200		
i	Mining costs	210		
j	Patron's adjustment	215		
k	Pollution control facilities	220		
l	Qualified small business stock	225		
m	Research and experimental	230		
n	Tax shelter farm activities	240		
o	Related adjustments	250		
13		260		
14	Total Adjustments and Preferences. Combine line 1 through line 13	14	270	

Part II Alternative Minimum Taxable Income (AMTI)

15	Enter taxable income from Form 540, line 19. See instructions	15	280	
16	Net operating loss (NOL) deduction from Schedule CA (540), line 21b, 21d, and 21e, column B. Enter as a positive amount	16	290	
17	AMTI exclusion. See instructions	17	(295)	
18	If your federal AGI is less than the amount for your filing status (listed below), skip this line and go to line 19. If you itemized deductions and your federal AGI is more than the amount for your filing status, see instructions.	18	(300)	
	Single or married filing separate		\$119,813	
	Married filing joint or qualifying widow(er)		\$239,628	
	Head of household		\$179,720	
19	Combine line 14 through line 18	19	310	
20	Alternative minimum tax NOL deduction. See instructions. Do not enter more than 90% of line 19	20	320	
21	Alternative minimum taxable income. Subtract line 20 from line 19 (if married filing separate and line 21 is more than \$227,649, see instructions)	21	330	

Part III Exemption Amount and Alternative Minimum Tax (AMT)

22	Exemption Amount. (If this schedule is for a child under age 14, see instructions.)			
	If your filing status is:	And line 21 is not over:	Enter on line 22:	
	Single or head of household	\$165,231	\$44,062	} 340
	Married filing joint or qualifying widow(er)	220,308	58,749	
	Married filing separate	110,153	29,374	
	If Part II, line 21 is over the amount shown above for your filing status, see instructions.			
23	Subtract line 22 from line 21. If zero or less, enter -0-	23	360	
24	Tentative minimum tax. Multiply line 23 by 7.0% (.07)	24	370	
25	Regular tax before credits from Form 540, line 20. If an amount is entered on Form 540, line 23, see instructions	25	380	
26	Alternative Minimum Tax. Subtract line 25 from line 24. If zero or less, enter -0- here and on Form 540, line 35. If more than zero, enter here and on Form 540, line 35. (Exception: If you have carryover credit for solar energy or commercial solar energy, first enter the result on Side 2, Part IV, Section C, line 21.)	26	382	

Part IV Credits that Reduce Tax Note: Be sure to attach your credit forms to Form 540.

1	Enter the amount from Form 540, line 24	1	430
2	Enter the tentative minimum tax from Side 1, Part III, line 24	2	440

Section A – Credits that reduce excess tax.

	(a) Credit amount	(b) Credit used this year	(c) Tax balance that may be offset by credits	(d) Credit carryover
3				
3			450	

A1 Credits that reduce excess tax and have no carryover provisions.

4	Code: 170 Credit for joint custody head of household	4	460	470	480	
5	Code: 173 Credit for dependent parent	5	490	500	510	
6	Code: 163 Credit for senior head of household	6	520	530	540	
7	Code: 162 Prison inmate labor credit	7	590	600	610	
8	Code: 169 Enterprise zone employee credit	8	690	700	710	

A2 Credits that reduce excess tax and have carryover provisions. See instructions.

9	Code: *720 Credit Name: +730	9	+740	+750	+760	+770
10	Code: 780 Credit Name: 790	10	800	810	820	830
11	Code: 840 Credit Name: 850	11	860	870	880	890
12	Code: 900 Credit Name: 910	12	920	930	940	950
13	Code: 188 Credit for prior year alternative minimum tax	13	1620	1630	1640	1650

Section B – Credits that may reduce tax below tentative minimum tax.

14	If Part IV, line 3 is zero, enter the amount from line 1. If line 3 is more than zero, enter the total of line 2 and the last entry in column (c).	14			1660	
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B1 Credits that reduce net tax and have carryover provisions. See instructions.

15	Code: *1670 Credit Name: +1680	15	+1690	+1700	+1710	+1720
16	Code: 1730 Credit Name: 1740	16	1750	1760	1770	1780
17	Code: 1790 Credit Name: 1800	17	1810	1820	1830	1840
18	Code: 1850 Credit Name: 1860	18	1870	1890	1900	1910

B2 Credits that reduce net tax and have no carryover provisions.

19	Code: 187 Other state tax credit	19	2030	2040	2050	
20	Nonrefundable renter's credit. Be sure to enter the amount in column (b) on Form 540, line 31	20	2052	2054	2056	

Section C – Credits that may reduce alternative minimum tax.

21	Enter your alternative minimum tax from Side 1, Part III, line 26	21			2060	
22	Code: 180 Solar energy credit carryover from Section B1, column (d)	22	2070	2080	2090	2100
23	Code: 181 Commercial solar energy credit carryover from Section B1, column (d)	23	2110	2120	2130	2140
24	Adjusted AMT. Enter the balance from line 23, column (c) here and on Form 540, line 35	24			2150	

1999

Alternative Minimum Tax and Credit Limitations —Nonresidents or Part-Year Residents

P (540NR)

Attach this schedule to Form 540NR.

Name(s) as shown on Form 540NR

Your social security number

Part I Adjustments and Preferences Important: See instructions for information regarding California/federal differences.

1	If you itemized deductions, go to line 2. If you did not itemize deductions, enter your standard deduction from Form 540NR, line 18, and go to line 6	1	010	
2	Medical and dental expense. Enter the smaller of Schedule A (Form 1040), line 4, or 2 1/2% of Form 1040, line 34	2	020	
3	Personal property taxes and real property taxes. See instructions	3	030	
4	Certain interest on a home mortgage not used to buy, build, or improve your home. See instructions	4	040	
5	Miscellaneous itemized deductions. See instructions	5	050	
6	Refund of personal property taxes and real property taxes. See instructions Caution: Do not include your state income tax refund on this line.	6	(060)	
7	Investment interest expense adjustment. See instructions	7	070	
8	Post-1986 depreciation. See instructions	8	080	
9	Adjusted gain or loss. See instructions	9	090	
10	Incentive stock options and California qualified stock options (CQSOs). See instructions	10	100	
11	Passive activities adjustment. See instructions	11	110	
12	Beneficiaries of estates and trusts. Enter the amount from Schedule K-1 (541), line 8	12	120	
13	Other. Enter the amount, if any, for each item, a through o, and enter the total on line 13. See instructions.			
	a Appreciated contributions	a	130	
	b Circulation expenditures	b	140	
	c Depletion	c	150	
	d Depreciation (pre-1987)	d	160	
	e Installment sales	e	170	
	f Intangible drilling costs	f	180	
	g Long-term contracts	g	190	
	h Loss limitations	h	200	
	i Mining costs	i	210	
	j Patron's adjustment	j	215	
	k Pollution control facilities	k	220	
	l Qualified small business stock	l	225	
	m Research and experimental	m	230	
	n Tax shelter farm activities	n	240	
	o Related adjustments	o	250	
	Total of the amounts on line a through line o	13	260	
14	Total Adjustments and Preferences. Combine line 1 through line 13	14	270	

Part II Alternative Minimum Taxable Income (AMTI)

15	Enter taxable income from Form 540NR, line 19. See instructions	15	280	
16	Net operating loss (NOL) deduction from Schedule CA (540NR), line 21b, 21d, and 21e, column B. Enter as a positive amount	16	290	
17	AMTI exclusion. See instructions	17	(295)	
18	If your federal AGI is less than the amount for your filing status (listed below), skip this line and go to line 19. If you itemized deductions and your federal AGI is more than the amount for your filing status, see instructions	18	(300)	
	Single or married filing separate		\$119,813	
	Married filing joint or qualifying widow(er)		\$239,628	
	Head of household		\$179,720	
19	Combine line 14 through line 18	19	310	
20	Alternative minimum tax NOL deduction. See instructions. Do not enter more than 90% of line 19	20	320	
21	Alternative minimum taxable income. Subtract line 20 from line 19 (if married filing separate and line 21 is more than \$227,649, see instructions)	21	330	

Part III Exemption Amount and Alternative Minimum Tax (AMT)**22 Exemption Amount.** (If this schedule is for a child under age 14, see instructions.)**If your filing status is:****And line 21 is not over:****Enter on line 22:**

Single or head of household

\$165,231

\$44,062

Married filing joint or qualifying widow(er)

220,308

58,749

Married filing separate

110,153

29,374

340 22 350

If Part II, line 21 is over the amount shown above for your filing status, see instructions.

23 Subtract line 22 from line 21. If zero or less, enter -0- **23 360****24** Multiply line 23 by 7.0% (.07) **24 370****25 a** Alternative minimum taxable income. Enter the amount from Part II, line 21 **25a 372****b** Itemized deductions not included in Part I. See instructions **25b 373****c** Total AMT adjusted gross income. Add line 25a and line 25b and complete Part IV now **25c 374****d** AMT California adjusted gross income from Part IV, line 8 **25d 375****e** Ratio. Divide line 25d by line 25c. This amount may be greater than 1.0000 **25e 376****26 Tentative minimum tax.** Multiply line 24 by line 25e **26 377****27** Regular tax from Form 540NR, line 22 multiplied by the ratio from Form 540NR, line 25a. If an amount is entered on Form 540NR, line 26, see instructions **27 380****28 Alternative Minimum Tax.** Subtract line 27 from line 26. If zero or less, enter -0- here and on Form 540NR, line 44.Continue to Part V to figure your allowable credits. (If you have a carryover credit for solar energy or commercial solar energy, also enter the result on Side 3, Part V, Section C, line 21) **28 382****Part IV AMT California Adjusted Gross Income****1** California adjusted gross income from Schedule CA (540NR), line 33, column E **1 383****2** Net operating loss (NOL) deduction, if any, included on Schedule CA (540NR), line 21, column E. Enter as a positive number **2 384****3** AMTI exclusion. See instructions **3 (385)****4** Combine line 1, line 2, and line 3 **4 386****5 Adjustments and Preferences.** See instructions before completing.**a** Investment interest expense **387** **k** Intangible drilling costs **397****b** Post-1986 depreciation **388** **l** Long-term contracts **398****c** Adjusted gain or loss **389** **m** Loss limitations **399****d** Incentive stock options and QOSOs **390** **n** Mining costs **400****e** Passive activities **391** **o** Patron's adjustment **401****f** Beneficiaries of estates & trusts **392** **p** Pollution control facilities **402****g** Circulation expenditures **393** **q** Qualified small business stock **403****h** Depletion **394** **r** Research and experimental **404****i** Depreciation (pre-1987) **395** **s** Tax shelter farm activities **405****j** Installment sales **396** **t** Related adjustments **406**Add line a through line t **5 407****6** Combine line 4 and line 5 **6 408****7** California AMT net operating loss deduction. Do not enter more than 90% of line 6. See instructions **7 409****8** AMT California adjusted gross income. Subtract line 7 from line 6. Enter here and on Part III, line 25d **8 410**

Part V Credits that Reduce Tax Note: Be sure to attach your credit forms to Form 540NR.

1	Enter the amount from Form 540NR, line 27	1	430	
2	Enter the tentative minimum tax from Side 2, Part III, line 26	2	440	

Section A – Credits that reduce excess tax.

	(a) Credit amount	(b) Credit used this year	(c) Tax balance that may be offset by credits	(d) Credit carryover
3 Subtract line 2 from line 1. If zero or less enter -0- and see instructions. This is your excess tax which may be offset by credits			450	

A1 Credits that reduce excess tax and have no carryover provisions.

4 Code: 170 Credit for joint custody head of household Credit from 452 Ratio from Form 540NR 452 X Form 540NR, line 25a 454 = 4	460	470	480	
5 Code: 173 Credit for dependent parent Credit from 482 Ratio from Form 540NR 482 X Form 540NR, line 25a 484 = 5	490	500	510	
6 Code: 163 Credit for senior head of household Credit from 512 Ratio from Form 540NR 512 X Form 540NR, line 25a 514 = 6	520	530	540	
7 Code: 162 Prison inmate labor credit	590	600	610	
8 Code: 169 Enterprise zone employee credit	690	700	710	

A2 Credits that reduce excess tax and have carryover provisions. See instructions.

9 Code: *720 Credit Name: +730	+740	+750	+760	+770
10 Code: 780 Credit Name: 790	800	810	820	830
11 Code: 840 Credit Name: 850	860	870	880	890
12 Code: 900 Credit Name: 910	920	930	940	950
13 Code: 188 Credit for prior year alternative minimum tax	1620	1630	1640	1650

Section B – Credits that may reduce tax below tentative minimum tax.

14 If Part V, line 3 is zero, enter the amount from line 1. If line 3 is more than zero, enter the total of line 2 and the last entry in column (c).			1660	
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B1 Credits that reduce net tax and have carryover provisions. See instructions.

15 Code: *1670 Credit Name: +1680	+1690	+1700	+1710	+1720
16 Code: 1730 Credit Name: 1740	1750	1760	1770	1780
17 Code: 1790 Credit Name: 1800	1810	1820	1830	1840
18 Code: 1850 Credit Name: 1860	1870	1890	1900	1910

B2 Credits that reduce net tax and have no carryover provisions.

19 Code: 187 Other state tax credit	2030	2040	2050	
20 Nonrefundable renter's credit. Be sure to enter the amount in column (b) on Form 540NR, line 40	2052	2054	2056	

Section C – Credits that may reduce alternative minimum tax.

21 Enter your alternative minimum tax from Side 1, Part III, line 28			2060	
22 Code: 180 Solar energy credit carryover from Section B1, column (d)	2070	2080	2090	2100
23 Code: 181 Commercial solar energy credit carryover from Section B1, column (d)	2110	2120	2130	2140
24 Adjusted AMT. Enter the balance from line 23, column (c) here and on Form 540NR, line 44			2150	

1999**Employer Child Care Program/
Contribution Credit****3501**

Attach to your California tax return.

Social security or California corporation number

Name(s) as shown on return

FEIN

010**Part I Employer Child Care Program Credit.** Read the instructions before completing this part.**Section A****1** Number of children the child care facility(ies) will legally accommodate (no minimum number required) **1** **020****Section B—Credit Computation**

2 Enter the amount of costs paid or incurred for startup expenses of establishing a child care program or constructing a child care facility in California to be used primarily by the children of either your employees or your tenant's employees, or both. See General Information, Part I, C, Definition of Startup Expenses	2	030	
3 Enter the amount of costs paid or incurred this year for contributions to California child care information and referral services. See General Information, Part I, B, Qualifications	3	040	
4 Add line 2 and line 3	4	050	
5 Multiply line 4 by 30% (.30)	5	060	
6 Pass-through credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568)	6	070	
7 Add line 5 and line 6. Do not enter more than \$50,000 (any amount in excess of \$50,000 may not be claimed or carried over). S corporations: Go to line 8. All others: Skip line 8 and go to line 9	7	080	
8 S corporations: Enter 1/3 of the amount on line 7. Do not enter more than \$16,667	8		
9 Credit carryover from prior year	9	090	
10 Tentative Credit. S corporations: Add line 8 and line 9. All others: Add line 7 and line 9	10	100	
11 Total available credit. Enter the smaller of the amount on line 10 or \$50,000 (any excess can be carried over)	11	110	
12 Enter amount of credit claimed (may be limited) on the current year tax return. See General Information, Part I, D, Limitations	12	120	
13 Subtract line 12 from line 11	13	130	
14 Excess available credit. Subtract line 11 from line 10. If less than zero, enter -0-	14	140	
15 Credit carryover available for future years. Add line 13 and line 14	15	150	

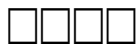
Section C—Credit Recapture (for the Employer Child Care Program Credit). See General Information, Part I, E, Recapture

(a) Total credit claimed for all years	(b) Proration percentage: (60 months less number of months facility operated) ÷ 60 months	(c) Credit recapture amount (column (a) x column (b))
16 160	170	180

Include the amount on line 16, column (c), in the total on: Form 540, line 36; Form 540NR, line 45; Form 541, line 32; Form 100, Schedule J, line 5; Form 100S, Schedule J, line 5; Form 109, Schedule K, line 4; Form 565, Schedule K, line 22; or Form 568, Schedule K, line 22. In the space to the left of the line, write "FTB 3501" and the amount of credit recaptured.

Part II Employer Child Care Contribution Credit. Read the instructions before completing this part.

(a) Name of employee's dependent	(b) Contribution amount	(c) 30% of column (b), but not more than \$360	(d) Number of weeks of care ÷ 42, but not more than 100%	(e) Credit amount (column (c) x column (d))
1 *190 240	\$ +200 250	\$ +210 260	+220 % 270	\$ +230 280
2 Pass-through credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568)			2	290
3 Total current year credits. Add amounts in line 1, column (e), and line 2			3	300
4 S corporations only: Enter 1/3 of the amount on line 3			4	
5 Credit carryover from prior year			5	310
6 Total available credit. S corporations: Add line 4 and line 5 All others: Add line 3 and line 5			6	320
7 Amount of credit claimed on the current year tax return. See General Information, Part II, D, Limitations			7	330
8 Credit carryover available for future years. Subtract line 7 from line 6			8	340



Prison Inmate Labor Credit

3507

Attach to your California tax return.

Name(s) as shown on return

Social security or California corporation number

Business address (number and street)

PMB no.

FEIN

City or town

State

ZIP Code

1	Total qualifying wages	1	050
2	Multiply line 1 by 10% (.10)	2	060
3	Pass-through prison inmate labor credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568). See instructions	3	070
4	Total available prison inmate labor credit. Add line 2 and line 3	4	080

Caution: Your credit may be limited. See the instructions for line 4.

Note: The employer must keep the approved joint venture agreement for audit purposes.

General Information

Private Mailbox (PMB) Numbers

If you lease a mailbox from a private business rather than from the United States Postal Service, enter your PMB number in the special field labeled "PMB no."

A Purpose

Use form FTB 3507 to figure and claim a credit for wages paid to prison inmates under an approved joint venture agreement. Also use this form to claim pass-through prison inmate labor credits received from S corporations, estates or trusts, partnerships, or limited liability companies (LLCs) taxed as partnerships.

S corporations, estates or trusts, partnerships, and LLCs taxed as partnerships should complete form FTB 3507 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, Form 541, Form 565, or Form 568. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568).

B Qualifications

California allows a credit equal to 10% of the wages paid to each prisoner who is employed under an approved joint venture agreement.

The credit amount is based on wages paid to each qualifying employee during the taxable or income year for the duration of the contract agreement.

The credit applies only to wages paid pursuant to a contract agreement, executed on or before the day the individual begins work for the employer, between the Director of Corrections and the joint venture employer.

C Limitations

S corporations may claim only 1/3 of the credit against the 1.5% entity-level tax (3.5% for financial S corporations). In addition, S corporations can pass through 100% of the credit to their shareholders.

If a taxpayer owns an interest in a disregarded business entity (a single member LLC [SMLLC] not recognized [disregarded] by California for tax purposes treated as a sole proprietorship owned by an individual or a branch owned by a corporation), the credit amount received from the disregarded entity that can be utilized is limited to the difference between the taxpayer's regular tax figured with the income of the disregarded entity, and the taxpayer's regular tax figured without the income of the disregarded entity.

An SMLLC may be disregarded as an entity separate from its owner, subject to certain statutory provisions that recognize otherwise disregarded entities for certain purposes including the tax and fee of an LLC, the return filing requirements of an LLC, and the credit limitations previously mentioned. Get Form 568, Limited Liability Company Income Tax Return, for more details.

This credit cannot reduce the minimum franchise tax (corporations, limited partnerships, limited liability partnerships, LLCs, and S corporations), the alternative minimum tax (corporations, exempt organizations, individuals, and fiduciaries), the built-in gains tax (S corporations), or the excess net passive income tax (S corporations). This credit cannot reduce regular tax below the tentative minimum tax (TMT). See Schedule P (100, 540, 540NR, or 541) for more information.

There is no provision for carryover of any unused credit to succeeding tax years and in no event can this credit be carried back and applied against a prior year's tax.

This credit is not refundable.

Corporate Members of a Unitary or Combined Group

This credit cannot be allocated or otherwise transferred to another taxpayer, even if the other taxpayer is a member of a unitary or combined group or otherwise affiliated with the taxpayer that earned the credit.

Specific Line Instructions

Line 1

Enter the total amount of qualifying wages paid or incurred under the provisions of the approved joint venture agreement.

Line 3

If you received more than one pass-through credit from S corporations, estates or trusts, partnerships, or LLCs taxed as partnerships, add the amounts and enter the total on line 3. Attach a schedule showing the names and identification numbers of the entities from which the credits were passed through to you.

Line 4

The amount of this credit that you can claim on your tax return may be limited further. Refer to the credit instructions in your tax booklet for more information. These instructions also explain how to claim this credit on your tax return. You must use credit code number **162** when you claim this credit. Also see General Information C, Limitations.

1999 Low-Income Housing Credit**3521****Attach to your California tax return.**

Name(s) as shown on return

Social security or California corporation number

Building identification number (BIN)

FEIN

020**010****Part I Credit Computation**

1 Has the eligible basis of any project or building decreased since you received form FTB 3521A from the California Tax Credit Allocation Committee?
☒ Yes ☐ No If "yes," complete Part III before continuing. See General Information C.

2 Current year credit for 1999. See instructions **2 050**

3 Enter any affiliated corporation or pass-through low-income housing credits from other entities below. See instructions.

If you are a	Current year low-income housing credits from –	(a) Name of entity passing through the credit –	(b) Identification numbers – California corporation, FEIN, etc.	(c) Building identification number (BIN)	(d) Total amount of affiliated corporation or pass-through credit(s)
Corporation	FTB 3521, line 10 of the affiliated corporation				\$
Shareholder	Schedule K-1 (100S), line 12a	060	070	080	\$ 090
Beneficiary	Schedule K-1 (541), line 11d or line 11e	100	110	120	\$ 130
Partner or LLC member	Schedule K-1 (565, 568), line 13b	140	150	160	\$ 170

Total pass-through low-income housing credit. Add the amounts in column (d) **3 180**

4 Current year low-income housing credit. Add line 2 and line 3 **4 190**

5 Enter the amount of low-income housing credit on line 4 that is from passive activities. If none of the amount on line 4 is from passive activities, enter -0- **5 200**

6 Subtract line 5 from line 4 **6 210**

7 Enter the allowable low-income housing credit from passive activities. See instructions **7 220**

8 Low-income housing credit carryover from prior year **8 230**

9 Add line 6 through line 8 **9 240**

10 Corporations only: Amount of low-income housing credit allocated to affiliated corporations:

Corporation name	California corporation number	Amount of credit allocated

Total amount of low-income housing credit allocated. If you are not a corporation, enter -0- **10 250**

11 Total available low-income housing credit. Subtract line 10 from line 9. See instructions **11 260**

Caution: This amount may be less than the amount on line 9 if your credit is limited by tentative minimum tax (TMT) or your tax liability. See instructions.

Part II Carryover Computation

12 Amount of low-income housing credit claimed on the current year tax return **12 270**

13 Carryover to future years. Subtract line 12 from line 11 **13 280**

Part III Basis Recomputations. Complete this part only if the basis in a project or building has decreased. Use additional sheets if necessary.

	(a) Building 1	(b) Building 2	(c) Total
14 Date building was placed in service (month/year)	14 290	300	
15 BIN	15 310	320	
16 Eligible basis of building. See General Information C	16 330	340	350
17 Low-income portion (lesser of unit percentage or floor-space percentage). See instructions	17 360	370	380
18 Qualified basis of low-income building. Multiply line 16 by line 17	18 390	400	410
19 Applicable percentage. See General Information B, 2	19 420	430	440
20 Multiply line 18 by line 19. See instructions for Part I, line 2	20 450	460	470

1999**Investment Interest Expense Deduction**

Attach to Form 540, Form 540NR, or Form 541.

3526

Name(s) as shown on return

Social security number or FEIN

1	Investment interest expense paid or accrued in 1999. See instructions	1	010
2	Disallowed investment interest expense from 1998 form FTB 3526, line 7. If zero or less, enter -0-	2	020
3	Total investment interest expense. Add line 1 and line 2	3	030
4a	Gross income from property held for investment (excluding any net gain from the disposition of property held for investment)	4a	032
4b	Net gain from the disposition of property held for investment. See instructions	4b	035
4c	Net capital gain from the disposition of property held for investment. See instructions	4c	040
4d	Subtract line 4c from line 4b. If zero or less, enter -0-	4d	042
4e	Enter all or part of the amount on line 4c that you elect to include in investment income. Do not include more than the amount on line 4b. See instructions	4e	044
4f	Investment income. Add line 4a, line 4d, and line 4e	4f	046
5	Investment expenses. See instructions	5	050
6	Net investment income. Subtract line 5 from line 4f	6	060
7	Disallowed investment interest expense to be carried forward to 2000. Subtract line 6 from line 3. If zero or less, enter -0-	7	070
8	Investment interest expense deduction. Enter the smaller of line 3 or line 6. Form 541 filers, stop here and see instructions. All other filers, go to line 9	8	080
9	Enter the amount from federal Form 4952, line 8	9	082
10	California investment interest expense deduction adjustment. Enter the difference between line 8 and line 9. See instructions.	10	084

General Information

In general, California tax law conforms to the Internal Revenue Code (IRC) as of January 1, 1998. However, there are continuing differences between California and federal tax law. California has not conformed to most of the changes made to the IRC by the federal Internal Revenue Service Restructuring and Reform Act of 1998 (Public Law 105-206) and has not conformed to any of the changes made by the Tax and Trade Relief Extension Act of 1998 (Public Law 105-277).

Specifically, for tax years beginning after December 31, 1992, under federal law, net capital gain from the disposition of property held for investment is excluded from investment income when figuring the investment interest limitation. However, taxpayers may elect to include as much of their net capital gain investment income as they choose if they also reduce the amount of net capital gain eligible for the special federal capital gain tax rate. California conforms to this federal provision for tax years beginning on or after January 1, 1997. This form allows you to make a separate California election to include net capital gain investment income in the calculation of the investment interest limitation. However, California does not have a special capital gain tax rate (all income is taxed at the same rate), and you should consider the effect on your California tax before making a separate California election or applying the federal election for California purposes.

A Purpose

Interest expense paid by an individual, estate, or trust on a loan allocable to property held for investment may not be fully deductible in the current year. Use form FTB 3526 to figure the amount of investment interest expense deductible for the current year and the amount, if any, to carry forward to future years.

B Who Must File

If you are an individual, estate, or a trust and you claim a deduction for investment interest expense, you must complete and attach form FTB 3526 to your tax return, unless **all** the following apply:

- Your only investment income was from interest or dividends;
- You have no other deductible expenses connected with the production of interest or dividends;
- Your investment interest expense is not more than your investment income; and
- You have no disallowed investment interest expense from 1998.

Specific Instructions

Generally, California law for the investment interest expense deduction follows federal law. Get the instructions for federal Form 4952, Investment Interest Expense Deduction, for more information. Get federal Pub. 550, Investment Income and Expenses, to determine your investment interest expense deduction if you have interest income or

expense attributable to a working interest in oil or gas property or if you paid or accrued interest on a loan and you used the proceeds of the loan for more than one purpose.

Line 1 – Investment Interest Expense

Enter the investment interest paid or accrued during the tax year, regardless of when you incurred the indebtedness. Investment interest is interest paid or accrued on a loan (or part of a loan) that is allocable to property held for investment. Include investment interest expense reported to you on Schedule K-1 (100S, 541, 565, or 568). Include amortization of bond premiums on taxable bonds purchased after October 22, 1986, but before January 1, 1988, unless you elected to offset amortizable bond premiums against the interest payments on the bond. A taxable bond is a bond on which the interest is includible in gross income.

Investment interest expense does not include:

- Home mortgage interest;
- Interest expense that is properly allocable to a passive activity (see "Passive Activities" on page 2);
- Interest expense that is capitalized, such as construction interest subject to IRC Section 263A; or
- Interest expense related to tax-exempt interest income under R&TC Section 17280.

Property Held for Investment. Property held for investment includes property that produces investment income (unless derived in the ordinary course of a trade or business).

1999 Manufacturers' Investment Credit**3535**

Attach to your California tax return.

Name(s) as shown on return

Social security, California corporation, or
entity identification (ID) number

FEIN

020**010**Qualified Taxpayer's SIC Code Activity. **Caution:** See instructions.**Part I Credit Computation** See instructions before completing.**Primary Use Code – See General Information G, Definitions**

Enter a code letter in column (b) for each item of property. Property must be primarily used for one of the following activities:

A = Manufacturing **B** = Research and Development **C** = Pollution Control **D** = Maintenance, repair, measurement, or testing of qualified property
E = Recycling **F** = Fabricating **G** = Refining **H** = Processing
I = Develop or manufacture prepackaged software or custom software

Qualified Costs See Specific Line Instructions.

(a) Description of property	(b) Primary use code	(c) SIC code for property's primary use	(d) Property leased? Y / N	(e) Date placed in service (mo./yr.)	(f) Amount of California sales or use tax paid	(g) Cost of property Do not include sales or use tax paid	(h) Capitalized direct labor costs allocated to property	(i) Total costs Add col. (g) and col. (h)	(j) Mandatory adjustments
1 *030	+040	+050	+060	+070	+080	+090	+100	+110	+120
130	140	150	160	170	180	190	200	210	220
230	240	250	260	270	280	290	300	310	320
330	340	350	360	370	380	390	400	410	420

2 Add the amounts in column (i) and column (j) **2** **430** **435**

3 Total 1999 qualified costs. Subtract the amount on line 2, column (j) from line 2, column (i) **3** **440**

4 Multiply line 3 by 6% (.06) **4** **450**

5 Pass-through manufacturers' investment credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568). See instructions.

(a) Name of pass-through entity:	(b) Entity ID no., California corporation number, FEIN, etc.	(c) Amount of pass-through credit
*460	+470	+480
490	500	510

Total pass-through manufacturers' investment credit. Add the amounts in column (c) **5** **520**

6 Add line 4 and line 5. This is your current year manufacturers' investment credit. **S corporations:** Go to line 7 below.
All others: Skip line 7, and go to line 8 below **6** **530**

7 S corporations only: Multiply line 6 by 1/3. See instructions **7**

8 Credit carryover from prior year(s). See instructions **8** **540**

9 Total available credit. **S corporations:** Add line 7 and line 8. **All others:** Add line 6 and line 8 **9** **550**

10 Enter the amount of credit claimed on current year tax return. **Caution:** Your credit may be limited.
See instructions **10** **560**

11 Credit carryover available for future years. Subtract line 10 from line 9 **11** **570**

Part II Credit Use and Carryover Periods See instructions.**8-Year Carryover Period**

(a) Year	(b) Credit generated in current year	(c) Prior year(s) carryover amount	(d) Amount used in 1999	(e) Credit carryover to future years
1 1994 & 1995		610	620	630
2 1996		650	660	670
3 1997		681	682	684
4 1998		690	692	694
5 1999	700		702	704

10-Year Carryover Period (Small businesses only)

(a) Year	(b) Credit generated in current year	(c) Prior year(s) carryover amount	(d) Amount used in 1999	(e) Credit carryover to future years
6 1994 & 1995		900	910	920
7 1996		940	950	960
8 1997		961	963	964
9 1998		966	967	968
10 1999	970		980	990
11 Total	1000	1010	1020	1030

Part III Credit Recapture See instructions.

(a) Property description	(b) Recapture code	(c) Credit recapture
1 *1400	+1410	+1415
1420	1430	1435
1440	1450	1455
1460	1470	1475
1480	1490	1500
2 Total recapture amount. Add the amounts in column (c). See instructions	2	1600

1999 Credit Carryover Summary**3540**

Attach to your California tax return.

You do not need to complete this form if you must file Schedule P (100, 540, 540NR, or 541).

Name(s) as shown on return

Social security or California corporation number

FEIN

010

Code	Name of repealed credit	(a) Credit carryover available from prior years	(b) Credit carryover used this year	(c) Credit carryover to future years
184	Political Contributions	020	030	040
171	Ridesharing Caution: See instructions for Code 171.	050	060	070
178	Water Conservation	080	090	100
179	Solar Pump	110	120	130
182	Energy Conservation	140	150	160
186	Residential Rental and Farm Sales	170	180	190
201	Technological Property Contribution			
202	Contribution of Computer Software			
175	Agricultural Products	200	210	220
180	Solar Energy	230	240	250
181	Commercial Solar Energy	260	270	280
185	Orphan Drug	290	300	310
161	Young Infant	320	330	340
196	Commercial Solar Electric System	350	360	370
160	Low-Emission Vehicles	380	390	400
174	Recycling Equipment	410	420	430
191	Employer Ridesharing (Large Employer)	440	450	460
192	Employer Ridesharing (Small Employer)	470	480	490
193	Employer Ridesharing (Public Transit Passes)	500	510	520
194	Employee Ridesharing	530	540	550
159	Los Angeles Revitalization Zone (LARZ) Hiring and Sales or Use Tax	560	570	580

1999 Enhanced Oil Recovery Credit**3546**

Attach to your California tax return.

Social security or California corporation number

Name(s) as shown on return

FEIN

010**Part I Credit Computation**

1	Qualified enhanced oil recovery costs. See instructions	1	020	
2	Current year credit. Multiply line 1 by 5% (.05)	2	030	
3	Pass-through enhanced oil recovery credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568). See instructions	3	040	
4	Total current year enhanced oil recovery credit. Add line 2 and line 3	4	050	
5	Credit carryover from a prior year(s). See instructions	5	060	
6	Total available enhanced oil recovery credit. Add line 4 and line 5	6	070	
7	Enter the amount of credit claimed on the current year tax return	7	080	
Caution: This amount may be less than the amount on line 6 if your credit is limited by tentative minimum tax (TMT) or your tax liability. See the instructions for line 7.				
8	Credit carryover available for future years. Subtract line 7 from line 6	8	090	

Part II Credit Carryover**15 Year Carryover Period** (See specific line instructions).

(a) Year	(b) Credit generated in the current year	(c) Credit carryover from a prior year(s)	(d) Amount used in 1999	(e) Credit carryover to future years
1 1996		105	110	120
2 1997		135	140	150
3 1998		152	154	156
4 1999	160		162	164
5 Total	170	180	190	200

General Information

California allows an enhanced oil recovery credit which is similar to the federal enhanced oil recovery credit under Internal Revenue Code (IRC) Section 43, with exceptions. Unless specifically identified otherwise, references in these instructions are to the IRC as of January 1, 1998, and to the California Revenue and Taxation Code (R&TC).

A Purpose

Use form FTB 3546 to figure and claim the enhanced oil recovery credit for enhanced oil recovery projects located within California. Also use this form to claim pass-through enhanced oil recovery credits received from S corporations, estates or trusts, partnerships, or limited liability companies (LLCs) taxed as partnerships.

S corporations, estates or trusts, partnerships, and LLCs taxed as partnerships should complete form FTB 3546 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, Form 541, Form 565, or Form 568. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568).

B Description

The California enhanced oil recovery credit is available for taxable or income years beginning on or after January 1, 1996. The tentative enhanced oil recovery credit is equal to 5% (representing 1/3 of the federal enhanced oil recovery credit) of the qualified enhanced oil recovery costs for qualified oil recovery projects located within California. See General Information F for further limitations on the enhanced oil recovery credit.

C California and Federal Differences

The federal enhanced oil recovery credit under IRC Section 43 and the California enhanced oil recovery credit under R&TC Sections 17052.8 and 23604 are generally the same, except that:

1. The California credit is equal to **5%** of the qualified enhanced oil recovery costs for qualified oil recovery projects **located within California**, as opposed to the federal credit which is equal to 15% of the qualified enhanced oil recovery costs for qualified oil recovery projects located within the United States, including the seabed and subsoil adjacent to the territorial waters of the United States as defined under IRC Section 638(1).
2. California **does not allow** the enhanced oil recovery credit for the following taxpayers:

- Taxpayers who are **retailers of oil or natural gas** that directly (or through a related person) sell oil or natural gas, excluding bulk sales of aviation fuels to the Department of Defense. See IRC Sections 613A(d)(2) and 613A(d)(3) for more information.
- Taxpayers (or related persons) who are **refiners of crude oil and, on any day during the taxable or income year, whose daily refinery output exceeded 50,000 barrels.**

3. The California credit may be carried over for 15 years and is subject to limitations described in General Information F. The federal credit is part of the general business credit subject to the limitations imposed by IRC Section 38.

D Definitions

Qualified enhanced oil recovery costs means:

1. Any amount paid or incurred during the taxable or income year for tangible property located within California:
 - That is an integral part of a qualified enhanced oil recovery project in California; and
 - For which depreciation (or amortization) is allowable.

1999**Donated Agricultural Products Transportation Credit****3547**

Attach to your California tax return.

Name(s) as shown on tax return

Social security or California corporation number

Business address (number and street)

PMB no.

FEIN

City or town

State

ZIP Code

1	Eligible transportation costs. See instructions	1	050
2	Current year credit. Multiply line 1 by 50% (.50)	2	060
3	Pass-through donated agricultural products transportation credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568). See instructions	3	070
4	Total current year donated agricultural products transportation credit. Add line 2 and line 3	4	080
5	Credit carryover from a prior year	5	090
6	Total available donated agricultural products transportation credit. Add line 4 and line 5	6	100
7	Enter the amount of credit claimed on your current year tax return	7	110
Caution: This amount may be less than the amount on line 6 if your credit is limited by tentative minimum tax (TMT) or your tax liability. See the instructions for line 7.			
8	Credit carryover available for future years. Subtract line 7 from line 6	8	120

General Information

References in these instructions are to the Internal Revenue Code (IRC) as of January 1, 1998, and to the California Revenue and Taxation Code (R&TC).

What's New**Private Mailbox (PMB) Numbers**

If you lease a mailbox from a private business rather than from the United States Postal Service, enter your PMB number in the special field labeled "PMB no."

A Purpose

Use form FTB 3547 to figure and claim the donated agricultural products transportation credit. Also use this form to claim pass-through donated agricultural products transportation credits received from S corporations, estates or trusts, partnerships, or limited liability companies (LLCs) taxed as partnerships.

S corporations, estates or trusts, partnerships, and LLCs taxed as partnerships should complete form FTB 3547 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, Form 541, Form 565, or Form 568. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568).

B Description

The amount of the credit allowed is 50% of the eligible transportation costs paid or incurred by the taxpayer in connection with the transportation of any donated agricultural product.

C Qualifications

To qualify for this credit, you must be engaged in the business of processing, distributing, or selling agricultural products. You may claim the credit for eligible transportation costs paid or incurred in connection with the donation of any agricultural product to a nonprofit charitable organization.

Certification

You must receive a certificate from the nonprofit charitable organization certifying that your agricultural product donation is in accordance with the provisions of the California Food and Agricultural Code. You should retain this certificate and provide a copy of it to the Franchise Tax Board (FTB) upon request.

D Definitions

Agricultural product – Any fowl, animal, vegetable or other stuff, product, or article which is customary food, or which is proper food for human beings.

Nonprofit charitable organization – A charitable organization that has exempt status under IRC Section 501(c)(3) or R&TC Section 23701d.

Transportation costs – Reasonable transportation or travel expenses (including meals) incurred in performing services away from home for qualified organizations if no significant element of personal pleasure, recreation, or vacation is involved. Parking fees and tolls may be included in the actual transportation costs; however, depreciation and insurance may not be included. **Eligible transportation costs** may be determined in either of the following ways:

- \$.12 (twelve cents) per mile; or
- The actual transportation expenses.

1999 Disabled Access Credit for Eligible Small Businesses 3548

Attach to your California tax return.

Name(s) as shown on return

Social security or California corporation number

Address of facility (number and street)

FEIN

City or town

State

ZIP Code

1	Eligible access expenditures. See instructions	1	040
2	Maximum amount of eligible access expenditures	2	\$250 00
3	Enter the smaller of line 1 or line 2	3	060
4	Current year credit. Multiply line 3 by 50% (.50)	4	070
5	Pass-through disabled access credit(s) from Schedule(s) K-1 (100S, 541, 565, or 568). See instructions	5	080
6	Total current year disabled access credit. Add line 4 and line 5, but do not enter more than \$125	6	090
7	Credit carryover from prior year	7	094
8	Total available disabled access credit. Add line 6 and line 7	8	097
9	Enter the amount of credit claimed on the current year tax return	9	100
Caution: This amount may be less than the amount on line 8 if your credit is limited by tentative minimum tax (TMT) or your tax liability. See the instructions for line 9.			
10	Credit carryover available for future years. Subtract line 9 from line 8	10	110

General Information

California allows a disabled access credit that is similar to the federal disabled access credit under Internal Revenue Code (IRC) Section 44, with exceptions. Unless specifically identified otherwise, references in these instructions are to the IRC as of January 1, 1998, and to the California Revenue and Taxation Code (R&TC).

A Purpose

Eligible small businesses use form FTB 3548 to figure and claim a credit for expenditures to provide access to disabled individuals. Also use this form to claim pass-through disabled access credits received from S corporations, estates or trusts, partnerships, or limited liability companies (LLCs) taxed as partnerships. Attach this form to your California tax return.

S corporations, estates or trusts, partnerships, and LLCs taxed as partnerships should complete form FTB 3548 to figure the amount of credit to pass through to shareholders, beneficiaries, partners, or members. Attach this form to Form 100S, Form 541, Form 565, or Form 568. Show the pass-through credit for each shareholder, beneficiary, partner, or member on Schedule K-1 (100S, 541, 565, or 568).

B Description

The amount of California credit allowed an eligible small business is 50% of the qualified expenditures that do not exceed \$250 per taxable or income year. Therefore, the maximum credit per eligible small business per taxable or income year is \$125.

C California and Federal Differences

The federal disabled access credit under IRC Section 44 and the California disabled access credit under R&TC Sections 17053.42 and 23642 are generally the same,

except that:

- The California credit is based on 50% of the eligible access expenditures up to \$250. The federal credit is based on 50% of the eligible access expenditures that exceed \$250 up to a maximum of \$10,250.
- The California credit may be carried over until exhausted. The federal credit is one of the general business credits subject to the limitations imposed by IRC Section 38.

D Qualifications

To qualify for the disabled access credit, you must be an **eligible small business** that complies with the federal Americans With Disabilities Act of 1990 (Public Law 101-336) by paying or incurring eligible access expenditures for taxable or income years beginning on or after January 1, 1996.

E Definitions

Eligible small business means any business or person that:

- Had gross receipts for the preceding taxable or income year that did not exceed \$1 million, **or** if gross receipts exceeded \$1 million, employed no more than 30 full-time employees during the preceding taxable or income year; **and**
- Elects to claim the disabled access credit for the taxable or income year by filing form FTB 3548.

For purposes of the definition of an eligible small business:

- Gross receipts are reduced by returns and allowances made during the taxable or income year.
- An employee is considered full-time if employed at least 30 hours per week for 20 or more calendar weeks in the taxable or income year.

1999 Enterprise Zone Employee Credit**3553**

Attach to your California tax return.

Name(s) as shown on return

Social security number

Step 1: Complete the Enterprise Zone Employee Credit Qualification Checklist on page 2 to see if you qualify to take this credit.**Step 2: Complete the form below to figure your available credit.**

1	Enter the total amount of wages you earned working in an enterprise zone. Do not enter more than \$10,500	1	010
2	If you file a joint return, enter the total amount of wages your spouse earned working in an enterprise zone. Do not enter more than \$10,500	2	020
3	Add line 1 and line 2	3	030
4	Multiply the amount on line 3 by 5% (.05)	4	040
5	Enter the amount from Form 540, line 17, or Form 540NR, line 17	5	050
6	If the amount on line 5 is: • Equal to or less than the amount on line 3, enter -0- here and skip to line 10; or • More than the amount on line 3, enter the amount from line 3	6	060
7	Subtract line 6 from line 5	7	070
8	Multiply line 7 by 9 cents (.09)	8	080
9	Subtract line 8 from line 4. If the result is zero or less, STOP . You do not qualify for this credit	9	090
10	Enter the total amount of enterprise zone wages. See instructions	10	100
11	Enter the total amount of employee business expenses that you paid relating to your work in the enterprise zone. See instructions	11	110
12	Net enterprise zone wage income. Subtract line 11 from line 10	12	120
13	Enter the amount of tax for the amount on line 12. See instructions	13	130
14	Total available enterprise zone employee credit. Enter the smaller of line 9 or line 13. If you skipped line 9 and entered zero (-0-) on line 6, enter the smaller of line 4 or line 13. Caution: Your credit may be limited. See the instructions for line 14.	14	140

1999**Tax Computation for Children Under Age 14
with Investment Income****3800**

Attach ONLY to the child's Form 540 or Form 540NR

Child's name as shown on return

010

Child's social security number

020

Parent's name (first, initial, and last). (Caution: See instructions before completing.)

030

Parent's social security number

040

Parent's filing status (check one):

☐ Single ☐ Married filing joint ☐ Married filing separate ☐ Head of household ☐ Qualifying widow(er) **050**Enter number of exemptions claimed on parent's return **060****Part I Figure child's net investment income****1** Enter the child's investment income, such as taxable interest and dividend income. See instructions.If this amount is \$1,400 or less, stop here; do not file this form **1 070****2** If the child DID NOT itemize deductions on Form 540 or Form 540NR, enter \$1,400. If the child ITEMIZEDdeductions, see instructions **2 080****3** Subtract line 2 from line 1. If zero or less, stop here; do not complete the rest of this form but ATTACHit to the child's return **3 090****4** Enter the child's **taxable** income from Form 540, line 19 or Form 540NR, line 19 **4 100****5** Net investment income. Enter the **smaller** of line 3 or line 4 **5 110****Part II Figure tentative tax based on the tax rate of the parent listed above****6** Enter the parent's **taxable** income from Form 540, line 19; Form 540A, line 16; Form 540EZ, line 16;TeleFile Tax Record, in the box labeled "Taxable Income"; or Form 540NR, line 19 **6 120****7** Enter the total net investment income, if any, from form(s) FTB 3800, line 5, of ALL OTHER children of theparent identified above. **Do not** include the amount from line 5 above **7 130****8** Add line 5 through line 7 **8 140****9** Tax on the amount on line 8 based on the **parent's** filing status. Use the tax table or tax rate schedules foundin the 1999 instructions for Form 540, 540A, or 540EZ. Form 540NR filers, see instructions **9 150****10** Enter the parent's tax from Form 540, line 20; Form 540A, line 17; Form 540EZ, line 17; or TeleFile Tax Record,in the box labeled "Tax". Form 540NR filers, see instructions **10 160****11** Subtract line 10 from line 9. If you did not enter an amount on line 7, then enter the amount fromline 11 on line 13 and skip line 12a and line 12b **11 170****12 a** Add line 5 and line 7 **12a 180****b** Divide line 5 by line 12a. Enter the result as a decimal (rounded to at least three places) **12b X 190****13** Multiply line 11 by the decimal amount on line 12b **13 200****Part III Figure child's tax****Note:** If the amounts on line 4 and line 5 above are the same, go to line 16.**14** Subtract line 5 from line 4 **14 210****15** Tax on the amount on line 14 based on the **child's** filing status. Use the tax table or tax rate schedules foundin the 1999 instructions for Form 540. Form 540NR filers, see instructions **15 220****16** Add line 13 and line 15 **16 230****17** Tax on the amount on line 4 based on the **child's** filing status. Use the tax table or tax rate schedules foundin the 1999 instructions for Form 540. Form 540NR filers, see instructions **17 240****18** Compare the amounts on line 16 and line 17. Enter the **larger** of the two amounts here and on the child's Form 540,line 20. Also fill in the circle labeled "FTB 3800" on the child's tax return. Form 540NR filers, see instructions **18 250****General Information****Purpose**

For any child who was under age 14 on January 1, 2000, investment income over \$1,400 is taxed at the parent's rate if the parent's rate is higher than the child's rate. If the child's investment income is more than \$1,400, use this form to figure the child's tax. However, include only income taxed by California on this form. Also include investment income that was not taxed on the child's federal tax return but is taxable under California law.

If the child uses form FTB 3800, he or she must file Form 540, California Resident Income Tax Return or Form 540NR, California Nonresident or Part-Year Resident Income Tax Return.

Do not use form FTB 3800 if:

- Neither of the child's parents was living on December 31, 1999; OR

- The child's investment income was less than \$1,400.

If the child does not file form FTB 3800, figure the tax in the normal manner on the child's Form 540, Form 540A, Form 540EZ, or Form 540NR.

Note: Parents of children who were under age 14 on January 1, 2000, may elect to include the child's investment income on the parent's tax return. To make this election, the child must have had income only from interest and dividends. The election is not available if estimated tax payments were made in the child's name. Refer to form FTB 3803, Parents' Election to Report Child's Interest and Dividends, for more information. If parents make this election, the child will not have to file a California tax return or form FTB 3800.

Caution: If you elect to report your child's income on your federal income tax return, but not on your California income tax return, be

1999**Passive Activity Loss Limitations**

Attach to Form 540, 540NR, 541, or 100S (S corporations).

3801

Name(s) as shown on return

Social security no., Calif. corporation no., or FEIN

Part I 1999 Passive Activity Loss**Caution:** See the instructions for Worksheet 1 and Worksheet 2 for federal Form 8582 before completing Part I. Be sure to use California amounts.**Rental Real Estate Activities with Active Participation**

1a Activities with net income from Worksheet 1, column (a)	1a	010		
1b Activities with net loss from Worksheet 1, column (b)	1b	(020)		
1c Prior year unallowed losses from Worksheet 1, column (c). See instructions	1c	(030)		
1d Combine line 1a, line 1b, and line 1c	1d	040		

All Other Passive Activities

2a Activities with net income from Worksheet 2, column (a)	2a	050		
2b Activities with net loss from Worksheet 2, column (b)	2b	(060)		
2c Prior year unallowed losses from Worksheet 2, column (c). See instructions	2c	(070)		
2d Combine line 2a, line 2b, and line 2c	2d	080		
3 Combine line 1d and line 2d. If the result is net income or zero, see the instructions for line 3. If line 3 and line 1d are losses, go to line 4. Otherwise, enter -0- on line 9 and go to line 10. See instructions	3	090		

Part II Special Allowance for Rental Real Estate with Active Participation**Note:** Enter all numbers in Part II as positive amounts. See instructions.

4 Enter the smaller of the loss on line 1d or the loss on line 3	4	100		
5 Enter \$150,000. If married filing separate, see instructions	5	110		
6 Enter federal modified adjusted gross income, but not less than zero. See instructions. Note: If line 6 is equal to or greater than line 5, skip line 7 and line 8, enter -0- on line 9, and then go to line 10. Otherwise, go to line 7	6	120		
7 Subtract line 6 from line 5	7	130		
8 Multiply line 7 by 50% (.50). Do not enter more than \$25,000	8	140		
9 Enter the smaller of line 4 or line 8	9	150		

Part III Total Losses Allowed

10 Add the income, if any, from line 1a and line 2a and enter the total	10	160		
11 Total losses allowed from all passive activities for 1999. Add line 9 and line 10. See the instructions on Side 2 to find out how to report the losses on your tax return	11	170		

California Worksheets

Attach this page to your California tax return

California Passive Activity Worksheet (see General Instructions for Step 1)

Use this worksheet to figure California income (loss) from passive activities **before** application of PAL rules.

(a) Passive Activity Enter a description of the activity	(b) Federal Schedule Enter the name of the federal form or schedule on which you reported the activity	(c) California Schedule Enter the name of the California form or schedule, if any, used to calculate the California adjustment	(d) Federal Amount Enter your current year federal net income (loss) before application of the PAL rules	(e) California Adjustment Enter any adjustment resulting from differences in federal and California law	(f) California Amount Combine column (d) and column (e)
*190	+200	+210	+220	+230	+240
250	260	270	280	290	300
310	320	330	340	350	360
370	380	390	400	410	420
430	440	450	460	470	480
490	500	510	520	530	540
550	560	570	580	590	600

California Adjustment Worksheets (see General Instructions for Step 4 and the example on page 4)

Use these worksheets to figure your California adjustments **after** application of the PAL rules.

(a) Activities Enter a description of the activity. Group activities by the federal schedules on which they were reported	(b) Passive or Nonpassive Enter the passive or nonpassive character of the activity for California purposes	(c) California Amount Enter the California net income (loss) from the activity after application of the PAL rules	(d) Federal Amount Enter the federal net income (loss) from the activity after application of the PAL rules	(e) California Adjustment Subtract the Total amount of column (d) from the Total amount of column (c) and enter the difference in column (e) below. Individuals should enter this amount on Schedule CA (540 or 540NR) as follows:
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(a) Schedule C Activities	(b) Passive or Nonpassive	(c) California Amount	(d) Federal Amount	(e) California Adjustment
*610	+620	+630	+640	If the amount below is positive , enter the amount on Schedule CA (540 or 540NR) line 12, Column C.
650	660	670	680	
690	700	710	720	
730	740	750	760	
770	780	790	800	If the amount below is negative , enter the amount on Schedule CA (540 or 540NR) (as a positive amount) on line 12, Column B.
810	820	830	840	
850	860	870	880	
Total	1(c)	890	1(d)* 900	1(e) 910

(a) Schedule E Activities	(b) Passive or Nonpassive	(c) California Amount	(d) Federal Amount	(e) California Adjustment
*920	+930	+940	+950	If the amount below is positive , enter the amount on Schedule CA (540 or 540NR) line 17, Column C.
960	970	980	990	
1000	1010	1020	1030	
1040	1050	1060	1070	
1080	1090	1100	1110	If the amount below is negative , enter the amount on Schedule CA (540 or 540NR) (as a positive amount) on line 17, Column B.
1120	1130	1140	1150	
1160	1170	1180	1190	
Total	2(c)	1200	2(d)** 1210	2(e) 1220

(a) Schedule F Activities	(b) Passive or Nonpassive	(c) California Amount	(d) Federal Amount	(e) California Adjustment
*1230	+1240	+1250	+1260	If the amount below is positive , enter the amount on Schedule CA (540 or 540NR) line 18, Column C.
1270	1280	1290	1300	
1310	1320	1330	1340	
1350	1360	1370	1380	
1390	1400	1410	1420	If the amount below is negative , enter the amount on Schedule CA (540 or 540NR) (as a positive amount) on line 18, Column B.
1430	1440	1450	1460	
1470	1480	1490	1500	
Total	3(c)	1510	3(d)*** 1520	3(e) 1530

* This amount should be the same as the amount reported on Schedule CA (540 or 540NR), column A, line 12.

** This amount should be the same as the amount reported on Schedule CA (540 or 540NR), column A, line 17.

*** This amount should be the same as the amount reported on Schedule CA (540 or 540NR), column A, line 18.

1999 Passive Activity Credit Limitations**3801-CR****Attach to Form 540, 540NR, 541, or 100S.**

Name(s) as shown on return

Social security no., Calif. corporation no., or FEIN

Part I 1999 Passive Activity Credits**Caution:** Complete Worksheets 1, 2, 3, and 4 in the instructions for federal Form 8582-CR, Passive Activity Credit Limitations. If you have credits from a publicly traded partnership, see the instructions for Part V, "Credits from Publicly Traded Partnerships (PTPs)."**Credits From Rental Real Estate Activities with Active Participation**

1 a Credits from federal Worksheet 1, column (a)	1a	010		
b Prior year unallowed credits from federal Worksheet 1, column (b)	1b	020		
c Add line 1a and line 1b	1c	030		

Low-Income Housing Credits for Property Placed in Service Before 1990 (or from Pass-Through Interests Acquired Before 1990)

See the instructions for line 2a through line 2c

2 a Credits from federal Worksheet 2, column (a)	2a	040		
b Prior year unallowed credits from federal Worksheet 2, column (b)	2b	050		
c Add line 2a and line 2b	2c	060		

Low-Income Housing Credits for Property Placed in Service After 1989

See the instructions for line 3a through line 3c.

3 a Credits from federal Worksheet 3, column (a)	3a	070		
b Prior year unallowed credits from federal Worksheet 3, column (b)	3b	080		
c Add line 3a and line 3b	3c	090		

All Other Passive Activity Credits

See the instructions for line 4a through line 4c.

4 a Credits from federal Worksheet 4, column (a)	4a	100		
b Prior year unallowed credits from federal Worksheet 4, column (b)	4b	110		
c Add line 4a and line 4b	4c	120		
5 Add line 1c, line 2c, line 3c, and line 4c	5	130		
6 Enter the tax attributable to net passive income. See instructions	6	140		
7 Subtract line 6 from line 5. If line 6 is more than or equal to line 5, enter -0- and see the instructions	7	150		

Part II Special Allowance for Rental Real Estate Activities with Active Participation**Note:** Complete Part II if you have an amount on line 1c; otherwise, go to Part III.

8 Enter the smaller of line 1c or line 7	8	160		
9 Enter \$150,000 (\$75,000 if married filing a separate return and you lived apart for the entire year). See instructions	9	170		
10 Enter federal modified adjusted gross income, but not less than zero. See instructions. If line 10 is equal to or greater than line 9, skip line 11 through line 15 and enter -0- on line 16	10	180		
11 Subtract line 10 from line 9	11	190		
12 Multiply line 11 by 50% (.50). Do not enter more than \$25,000 (\$12,500 if married filing a separate return and you lived apart for the entire year)	12	200		
13 Enter the amount, if any, from line 9 of form FTB 3801	13	210		
14 Subtract line 13 from line 12	14	220		
15 Enter the tax attributable to the amount on line 14. See instructions	15	230		
16 Enter the smaller of line 8 or line 15	16	240		

Part III Special Allowance for Low-Income Housing Credits for Property Placed in Service Before 1990 (or from Pass-Through Interests Acquired Before 1990) **Note:** Complete Part III if you have an amount on line 2c; otherwise, go to Part IV.

17	Enter the amount from line 7	17	260	
18	Enter the amount from line 16	18	270	
19	Subtract line 18 from line 17. If zero, enter -0- here and on line 30 and line 36 and then go to Part V	19	280	
20	Enter the smaller of line 2c or line 19	20	290	
21	Enter \$350,000 (\$175,000 if married filing a separate return and you lived apart for the entire year). See instructions	21	300	
22	Enter federal modified adjusted gross income, but not less than zero. See instructions for line 22. If line 22 is equal to or greater than line 21, skip line 23 through line 29, enter -0- on line 30	22	310	
23	Subtract line 22 from line 21	23	320	
24	Multiply line 23 by 50% (.50). Do not enter more than \$75,000 (\$37,500 if married filing a separate return and you lived apart for the entire year)	24	330	
25	Enter the amount, if any, from line 9 of form FTB 3801	25	340	
26	Subtract line 25 from line 24	26	350	
27	Enter the tax attributable to the amount on line 26. See instructions	27	360	
28	Enter the amount, if any, from line 18	28	370	
29	Subtract line 28 from line 27	29	380	
30	Enter the smaller of line 20 or line 29	30	390	

Part IV Special Allowance for Low-Income Housing Credits for Property Placed in Service After 1989

Note: Complete Part IV if you have an amount on line 3c; otherwise, go to Part V.

31	Enter the amount from line 19 if you completed Part III. Otherwise, subtract line 16 from line 7	31	400	
32	Enter the amount from line 30	32	410	
33	Subtract line 32 from line 31. If zero or less, enter -0- here and on line 36	33	420	
34	Enter the smaller of line 3c or line 33	34	430	
35	Tax attributable to the remaining special allowance. See instructions	35	440	
36	Enter the smaller of line 34 or line 35	36	450	

Part V Passive Activity Credits Allowed

37	Passive Activity Credits Allowed. Add line 6, line 16, line 30, and line 36. See page 3 of the instructions if you have any credits from a publicly traded partnership	37	460	
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Note: If you have credits from more than one passive activity, use Worksheet 5 through Worksheet 9, whichever apply, in the instructions for federal Form 8582-CR to allocate allowed and unallowed credits. Be sure to use California amounts. Also use the worksheets if you must allocate credits because they are reported on different forms.

Part VI Election to Increase Basis of Credit Property

38	If you disposed of your entire interest in a passive activity or former passive activity in a fully taxable transaction, and you elect to increase the basis of the credit property used in that activity by the unallowed credit that reduced the property's basis, check here	470	▶ <input type="checkbox"/>
39	Name of activity disposed of ▶	480	
40	Description of the credit property for which the election is being made ▶	490	
41	Amount of unallowed credit that reduced the property's basis for California purposes ▶	\$ 500	

1999

Parents' Election to Report Child's Interest and Dividends

3803

Attach to Parents' Form 540 or Form 540NR

Name(s) as shown on return

Your social security number

Child's name (first, initial, and last)

Child's social security number

100

110

120 ☐
Caution: If more than one form FTB 3803 is attached, check here

Part I — Figure amount of child's interest and dividend income to report on your return

	*130	+140	*150	+160	*170	+180		
1 a Enter your child's taxable interest income							1a	190
b Enter your child's tax-exempt interest income. Do not include this amount on line 1a							1b	200
2 Enter your child's ordinary dividends. If none, enter -0-. If your child received any dividends as a nominee, see the instructions	*210	+220					2	230
3 Enter your child's capital gain distributions. If your child received any capital gain distributions as a nominee, see the instructions	*235	+245					3	260
4 Add line 1a, line 2, and line 3. If the total is \$1,400 or less, skip line 5 and line 6 and go to line 7. If the total is \$7,000 or more, do not file this form. Your child must file his or her own return to report the income							4	265
5 Base amount							5	1,400.00
6 Subtract line 5 from line 4. If you file more than one form FTB 3803, see the instructions. If the amount on line 6 is different from the amount on your federal Form 8814, line 6, be sure to make an adjustment for the difference on Schedule CA (540 or 540NR), line 21f, column B or column C, whichever applies. If you did not file federal Form 8814, enter the amount from form FTB 3803, line 6 on Schedule CA (540 or 540NR), line 21f, column C. Also write "FTB 3803" on Schedule CA (540 or 540NR), line 21f							6	270

Go to line 7 below

Part II — Figure your tax on the first \$1,400 of child's interest and dividend income

7 Amount not taxed	7	700.00
8 Subtract line 7 from line 4. If zero or less, enter -0-	8	280
9 Tax. Is the amount on line 8 less than \$700? No. Enter \$7 here and see the Note below. Yes. Multiply line 8 by 1% (.01). Enter the result here and see the Note below. }	9	290

Note: Add the amount of tax from each FTB 3803, line 9 to any tax you enter on Form 540, line 20; or Form 540NR, line 22. Also check the box labeled "FTB 3803" on Form 540, line 20; or Form 540NR, line 22.

1999 Installment Sale Income**3805E**

Attach to your California tax return. Use a separate form for each sale or other disposition of property on the installment method.

Name(s) as shown on return

Social security no., California corporation no., or FEIN

1	Description of property ▶	010	
2a	Date acquired (month, day, and year) ▶	020	2b Date sold (month, day, and year) ▶ 030
3	Was the property sold to a related party after December 31, 1980?	040	<input type="checkbox"/> Yes 050
4	If the answer to the question on line 3 is "Yes," was the property a marketable security?	060	<input type="checkbox"/> Yes 070

If you checked "Yes," complete Part III. If you checked "No," complete Part III for the year of sale and for 2 years after the year of sale.

Part I Gross Profit and Contract Price. Complete this part for the year of sale only.

5	Selling price including mortgages and other debts (do not include stated or unstated interest)	5	080	
6	Mortgages and other debts the buyer assumed or took the property subject to, but not new mortgages the buyer got from a bank or other source	6	090	
7	Subtract line 6 from line 5	7	100	
8	Cost or other basis of property sold	8	110	
9	Depreciation allowed or allowable. Be sure to use California amounts	9	120	
10	Adjusted basis. Subtract line 9 from line 8	10	130	
11	Commissions and other expenses of sale	11	140	
12	Income recapture from Schedule D-1, Part III. See instructions	12	150	
13	Add line 10, line 11, and line 12	13	160	
14	Subtract line 13 from line 5. If zero or less, stop here . Do not complete the rest of this form	14	170	
15	If the property described on line 1 above was your main home, enter the amount of your excluded gain. Otherwise, enter -0-. Be sure to use California amounts. See instructions	15	180	
16	Gross profit. Subtract line 15 from line 14	16	190	
17	Subtract line 13 from line 6. If zero or less, enter -0-	17	200	
18	Contract price. Add line 7 and line 17	18	210	

Part II Installment Sale Income. Complete this part for the year of sale and any year you receive a payment or have certain debts you must treat as payments on installment obligations.

19	Gross profit percentage. Divide line 16 by line 18. For years after the sale, see instructions	19	220	
20	For year of sale only - Enter amount from line 17 above. Otherwise, enter -0-	20	230	
21	Payments received during the year. Do not include stated or unstated interest	21	240	
22	Add line 20 and line 21	22	250	
23	Payments received in prior years. Do not include stated or unstated interest ..	23	260	
24	Installment sale income. Multiply line 22 by line 19	24	270	
25	Enter the part of line 24 that is ordinary income under recapture rules. See instructions	25	280	
26	Subtract line 25 from line 24. Enter the result here and on Schedule D or Schedule D-1. See instructions	26	290	

Part III Related Party Installment Sale Income. Do not complete this part if you received the final installment payment this taxable or income year.

27	Name, address, and taxpayer identification number of related party	300 310	
28	Did the related party, during this taxable or income year, resell or dispose of the property? ("second disposition")?	320	<input type="checkbox"/> Yes 330
29	If you checked "Yes" on line 28, complete lines 30 through 37 below unless one of the following conditions is met. Check only the box that applies.		
340	a <input type="checkbox"/> The second disposition was more than two years after the first disposition (other than dispositions of marketable securities). If this box is checked, enter the date of the disposition (month, day, and year)	350	/
360	b <input type="checkbox"/> The first disposition was a sale or exchange of stock to the issuing corporation.		
370	c <input type="checkbox"/> The second disposition was an involuntary conversion where the threat of conversion occurred after the first disposition.		
380	d <input type="checkbox"/> The second disposition occurred after the death of the original seller or buyer.		
390	e <input type="checkbox"/> It can be established to the satisfaction of the Franchise Tax Board that tax avoidance was not a principal purpose for either of the dispositions. If you check this box, attach an explanation. @ 400		
30	Selling price of property sold by related party	30	410
31	Enter contract price from line 18 for year of first sale	31	420
32	Enter the smaller of line 30 or line 31	32	430
33	Total payments received by the end of your 1999 taxable or income year. Add line 22 and line 23	33	440
34	Subtract line 33 from line 32. If zero or less, enter -0-	34	450
35	Multiply line 34 by the gross profit percentage on line 19 for year of first sale	35	460
36	Enter the part of line 35 that is ordinary income under recapture rules. See instructions	36	470
37	Subtract line 36 from line 35. Enter the result here and on Schedule D or Schedule D-1. See instructions	37	480

YEAR

1999

Additional Taxes Attributable to IRAs, Other Qualified Retirement Plans, Annuities, Modified Endowment Contracts, and MSAs

CALIFORNIA FORM

3805P

For calendar year 1999 or
fiscal year beginning month _____ day _____ year 1999, and ending month _____ day _____ year _____.

First name	Initial	Last name	Your social security number	
		010	020	
Present home address (number and street or rural route)			PMB no.	Check this box if this is an amended return <input type="checkbox"/> 070
030			053	
City, town, or post office			State	ZIP Code
040			050	060

Part I Tax on Early Distributions – Complete this part if a taxable distribution was made from your qualified retirement plan (including an IRA other than an education (Ed) IRA), annuity contract, or modified endowment contract before you reached age 59½ (or was incorrectly indicated as such on your Form 1099-R – see instructions).

1 Early distributions included in gross income. See instructions	080
2 Distributions excepted from additional tax. See instructions. Enter exception number from instructions <input type="checkbox"/> <input type="checkbox"/> 090	100
3 Amount subject to additional tax. Subtract line 2 from line 1	110
4 Tax due. Multiply line 3 by 2½% (.025). Enter here and on Form 540, line 36 or Form 540NR, line 45. If you are not required to file a California income tax return, sign this form below and refer to the instructions	120

Caution: If any amount on line 3 was a distribution from a SIMPLE retirement plan, you must multiply that distribution by 6% (.06) instead of 2½%. See instructions for more information.

Part II Tax on Distributions from Ed IRAs Not Used for Educational Expenses – Complete this part if a distribution was made from your Ed IRA and was not used for educational expenses.

5 Taxable amount from federal Form 8606, line 30. See instructions	130
6 Distributions excepted from additional tax. See instructions	140
7 Amount subject to additional tax. Subtract line 6 from line 5	150
8 Tax due. Multiply line 7 by 2½% (.025). Enter here and on Form 540, line 36 or Form 540NR, line 45. If you are not required to file a California income tax return, sign this form below and refer to the instructions	160

Part III Tax on Distributions from Medical Savings Accounts (MSAs) – Complete this part if you reported a taxable distribution from an MSA on federal Form 8853.

9 Taxable MSA distribution from federal Form 8853, line 10	170
10 a If you meet any of the exceptions to the 10% tax (see instructions), check here <input type="checkbox"/>	180
b Otherwise, multiply line 9 by 10% (.10). Enter the result here and include it in the total on Form 540, line 36, or Form 540NR, line 45. If you are not required to file a California income tax return, sign this form below and refer to the instructions	190
11 Additional tax due from Medicare+Choice MSA distributions. Enter the amount from federal Form 8853, line 15b on this line. Also include this amount in the total on Form 540, line 36, or Form 540NR, line 45. If you are not required to file a California income tax return, sign this form below and refer to the instructions. Form 540NR filers, see instructions	200

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. It is unlawful to forge a spouse's signature.

Your signature	Date
X	
Signature of paid preparer (declaration of preparer is based on all information of which preparer has any knowledge.)	Paid preparer's SSN/FEIN/PTIN

Firm's name (or yours if self-employed) and address	Date

1999 Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations - Individuals, Estates, and Trusts

3805V

Attach to your California tax return.

Name(s) as shown on return

Social security number

FEIN

010

Part I Computation of Current Year NOL. If you do not have a current year NOL, go to Part II.**Section A — Individuals, Estates, and Trusts**

1	Adjusted gross income from 1999 Form 540, line 17 or 1999 Form 540NR, line 17. If negative, use brackets. Estates and trusts, begin on line 3	1	020	
2	Itemized deductions or standard deduction from 1999 Form 540, line 18 or 1999 Form 540NR, line 18	2	030	
3	a Combine line 1 and line 2. (Estates and trusts, enter taxable income, see instructions.) If negative, use brackets. If positive, enter -0- here and on line 20 and do not complete the rest of Part I; you do not have a current year NOL. Complete Part II and Part III if you have a carryover from prior years.	3a	040	
	b 1999 disaster loss included in line 3a. Enter as a positive number	3b	050	
	c Combine line 3a and line 3b. If negative, use brackets and continue to line 4. If zero or more, do not complete the rest of Part I. Enter the amount from line 3b, if any, in Part III, line 3, column (d) and complete Part II and Part III as instructed	3c	060	
Note: Enter amounts on line 4 through line 26 as if they were all positive numbers. See instructions.				
4	Nonbusiness capital losses	4	070	
5	Nonbusiness capital gains. See instructions	5	080	
6	If line 4 is more than line 5, enter the difference; otherwise, enter -0-	6	090	
7	If line 4 is less than line 5, enter the difference; otherwise, enter -0-	7	100	
8	Nonbusiness deductions	8	110	
9	Nonbusiness income other than capital gains	9	120	
10	Add line 7 and line 9	10	130	
11	If line 8 is more than line 10, enter the difference; otherwise, enter -0-	11	140	
12	If line 8 is less than line 10, enter the difference; otherwise, enter -0-	12	150	
13	Business capital losses	13	160	
14	Business capital gains. See instructions	14	170	
15	Add line 12 and line 14	15	180	
16	If line 13 is more than line 15, enter the difference; otherwise, enter -0-	16	190	
17	Add line 6 and line 16. See instructions	17	200	
18	Enter the loss, if any, from line 8 of Schedule D (540). (Estates and trusts, enter the loss, if any, from line 9, column (3), of Schedule D (541).) If you do not have a loss on that line (and do not have an R&TC Section 18152.5 exclusion), skip line 18 through line 23 and enter on line 24 the amount from line 17.	18	201	
19	R&TC Section 18152.5 exclusion. Enter as a positive number	19	202	
20	Subtract line 19 from line 18. If zero or less, enter -0-	20	203	
21	Enter the loss, if any, from line 9 of Schedule D (540). (Estates and trusts, enter the loss, if any, from line 10 of Schedule D (541).) Enter as a positive number	21	204	
22	If line 20 is more than line 21, enter the difference; otherwise, enter -0-	22	205	
23	If line 21 is more than line 20, enter the difference; otherwise, enter -0-	23	206	
24	Subtract line 22 from line 17. If zero or less, enter -0-	24	207	
25	NOL and disaster loss carryovers from prior years. See instructions	25	210	
26	Add line 11, line 19, line 23, line 24, and line 25	26	220	
27	Combine line 3c and line 26. If more than zero, enter -0-. You do not have a current year NOL to carryover	27	230	
28	Enter as a positive number the amount from line 27 that represents losses incurred by a new business and/or an eligible small business. Do not enter more than the amount on line 27	28	240	
29	Decrease the loss on line 27 by the amount on line 28	29	250	
30	General NOL. Multiply line 29 by 50% (.50)	30	260	
31	1999 NOL carryover. Add line 28 and line 30. See instructions	31	270	

Section B — Nonresidents and Part-Year Residents Only —Computation of Current Year California NOL

Do not complete this section if Section A, line 27 is zero.

Note: Enter amounts on line 32 through line 37 as if they were all **positive** numbers.

32	Enter the NOL from all sources from Section A, line 27	32	280
33	Enter the California adjusted gross income from 1999 Form 540NR, line 20 if it is a loss. If it is not a loss, you do not have a California NOL	33	290
34	California source NOL amount from 1999 Schedule CA (540NR), line 21d, column B, plus net capital loss from 1999 Schedule CA (540NR), line 13, column E	34	300
35	If line 33 is more than line 34, enter the difference; otherwise, enter -0-	35	310
36	Enter the smaller of line 32 or line 35	36	320
37	Enter as a positive number the amount from line 36 that represents losses incurred by a new business and/or an eligible small business. Do not enter more than the amount on line 36	37	330
38	Subtract line 37 from line 36	38	340
39	General NOL. Multiply line 38 by 50% (.50)	39	350
40	1999 NOL carryover. Add line 37 and line 39. See instructions	40	360

PART II Determine 1999 Modified Taxable Income (MTI). Be sure to read the instructions for Part II.

1	Taxable income. See instructions	1	510
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Note: Enter amounts on line 2 through line 4 as if they were all **positive** numbers.

2	Capital loss deduction included in line 1	2	520
3	Disaster loss carryover included in line 1	3	530
4	NOL carryover included in line 1	4	540
5	MTI. Combine line 1 through line 4. If line 5 is zero or less, enter -0-	5	550

PART III NOL Carryover and Disaster Loss Carryover Limitations. See Instructions.

		(g) Available balance	
1	MTI from Part II, line 5	1	560

Prior Year NOLs

(a) Year of loss	(b) Code	(c) Type of NOL *	(d) Total Loss	(e) Carryover from 1998	(f) Amount used in 1999		(h) Carryover to 2000 subtract column (f) from column (e)
*570							
2	+580	+590	+600	+610	+620	+630	+640
650	660	670	680	690	700	710	720
730	740	750	760	770	780	790	800
810	820	830	840	850	860	870	880

*Type of NOL: General (GEN), New Business (NB), Eligible Small Business (ESB), Title 11 (T11), or Disaster (DIS).

Current Year NOLs

3	1999	20	*890	DIS	+900	+910		+930		+950
4	1999		960		970	980				1020
	1999		1030		1040	1050				1090
	1999		1100		1110	1120				1160
	1999		1170		1180	1190				1230

5	NOL carryover. Add the carryover amounts in column (h) that are not the result of a disaster loss	5	1240
6	Disaster loss carryover. Enter the total loss carryover amounts in (h) that are the result of disaster losses	6	1250

1999

Enterprise Zone Deduction and Credit Summary

3805Z

Attach to your California tax return.

Social security or California corporation number

005

Name(s) as shown on return

FEIN

A. Check the appropriate box for your entity type:**010**

- ☐ Individual ☐ Estate ☐ Trust ☐ C corporation ☐ S corporation ☐ Partnership
☐ Exempt organization ☐ Limited liability company ☐ Limited liability partnership

B. Enter the name of the enterprise zone business:**020****C. Enter the address (actual location) where the enterprise zone business is conducted:****022****D. Enter the name of the enterprise zone in which the business and/or investment activity is located. See General Information C, Enterprise Zone Designation.****024****E. Principal Business Activity Code number of the enterprise zone business** **026**

Enter the six-digit number from the Principal Business Activity Code Chart on pages 23 through 25. For the Long Beach Enterprise Zone, enter the four-digit Standard Industrial Classification (SIC) code number.

F. Total number of employees in the enterprise zone **030****G. Number of employees included in the computation of the hiring credit, if claimed** **032****H. Number of new employees included in the computation of the hiring credit, if claimed** **034****I. Gross annual receipts of the business** **040****J. Total asset value of the business** **042****Part I Credits Used****1 Hiring and sales or use tax credits claimed on the current year return:****a Hiring credit from Worksheet VII, line 8A, column (f) or line 10, column (f)** **050****b Sales or use tax credit from Worksheet VII, line 9A, column (f) or line 11, column (f)** **060****Add line 1a and line 1b** **1 070**

Note: To figure the amount of credits to carry over, complete Worksheet VII on Side 2.

Part II Business Expense Deduction for Equipment Purchases**2 Enter the cost of qualified property purchased for the enterprise zone that is being deducted as a current year business expense from Worksheet III, Section A, line 5, column (b)** **2 100**

ELECTION: The act of deducting a portion of the cost of any property as a current year expense rather than adding it to the capital account constitutes an election to treat that property in accordance with R&TC Sections 17267.2 or 24356.7. That election may not be revoked except with the written consent of the Franchise Tax Board (FTB).

Part III Net Interest Deduction for Lenders**3 Enter the amount of net interest received on loans to businesses located in the enterprise zone from Worksheet IV, line 2, column (f)** **3 110****Part IV Net Operating Loss (NOL) Carryover and Deduction****4 a Enter the enterprise zone NOL carryover from prior years from Worksheet VI, Section C, line 22, column (b)** **4a 120****b Enter the total enterprise zone NOL deduction used in the current year from Worksheet VI, Section C, line 22, column (c).**

Enter this amount on Schedule CA (540 or 540NR), line 21e, column B; Form 100, line 20; Form 100S, line 19; or Form 109, line 3 or line 11

4b 130**c Enter the enterprise zone NOL carryover to future years from Worksheet VI, Section C, line 22, column (e)** **4c 140**

ELECTION: For those taxpayers eligible for an NOL carryover under R&TC Sections 17276.2, 17276.4, 17276.5, 17276.6, 24416.2, 24416.4, 24416.5, or 24416.6, the act of claiming an NOL carryover on this form constitutes the **irrevocable** election to apply the loss under R&TC Sections 17276.2 or 24416.2, for taxpayers operating a trade or business within the enterprise zone. If you elect to carry over an NOL under the enterprise zone provisions, you cannot carry over any other type and amount of NOL from this year.

Part V Portion of Business Attributable to the Enterprise Zone**5 Enter the average apportionment percentage of your business that is in the enterprise zone from Worksheet V, Section A, line 4. If your operation is wholly within the enterprise zone, the average apportionment percentage is 100% (1.00)** **5 150****Part VI Recapture of Deduction and Credits****6 Enterprise zone recapture of hiring credit from Worksheet I, Section B, line 2, column (b)** **6 160****7 Recapture of business expense deduction from Worksheet III, Section B, line 2, column (b)** **7 180**

Worksheet VII Computation of Credit Limitations –Enterprise Zones**Part I Computation of Limitations.** See instructions.

1	Trade or business income. Individuals: Enter the amount from the Income or Loss Worksheet, line 14, column (c) (page 16) on this line and on line 3 (skip line 2). See instructions on page 20. Note: Multistate apportioning corporations enter the amount from Schedule R, line 13b	1	210
2	Corporations: Enter the average apportionment percentage from Worksheet V, Section A, line 4. See instructions	2	220
3	Multiply line 1 by line 2	3	230
4	Enter the enterprise zone NOL deduction from Worksheet VI, Section C, line 22, column (c)	4	240
5	Enterprise zone taxable income. Subtract line 4 from line 3	5	250
6 a	Compute the amount of tax due using the amount on line 5. See instructions	6a	260
b	Enter the amount of tax from Form 540, line 24; Form 540NR, line 27; Form 541, line 21; Form 100, line 23; Form 100S, line 22; or Form 109, line 7 or line 15. Corporations and S corporations, see instructions	6b	270
7	Enter the smaller of line 6a or line 6b. This is the limitation based on the enterprise zone income. Go to Part II, Part III, or Part IV. See instructions	7	280

Part II Limitation of Credits for Corporations, Individuals, and Estates and Trusts. See instructions.

(a) Credit name		(b) Credit amount	(c) Total prior year carryover	(d) Total credit (add col. (b) and col. (c))	(e) Limitation based on EZ business income	(f) Used on Schedule P (can never be greater than col. (d) or col. (e))	(g) Carryover (col. (d) minus col. (e))
8	Hiring credit	A			290	300	
		B	310	320	340		350
9	Sales or use tax credit	A			360	370	
		B	380	390	410		420

Part III Limitation of Credits for S Corporations Only. See instructions.

(a) Credit name	(b) Credit amount	(c) S corporation credit (multiply col. (b) by 1/3)	(d) Total prior year carryover	(e) Total credit (add col. (c) and col. (d))	(f) Credit used this year by S corporation	(g) Carryover (col. (e) minus col. (f))
10	Hiring credit					
11	Sales or use tax credit					

Part IV Limitation of Credits for Corporations and S Corporations Subject to Paying Only the Minimum Franchise Tax. See instructions.

(a) Credit name	(b) Credit amount	(c) Total prior year carryover	(d) Total credit carryover (add col. (b) and col. (c))
12	Hiring credit		
13	Sales or use tax credit		

1999**Underpayment of Estimated Tax
by Individuals and Fiduciaries****5805**

Attach this form to the **front** of your Form 540, Form 540A, Form 540NR, or Form 541. Also, fill in the circle for underpayment of estimated tax located on Form 540, line 64; Form 540A, line 37; Form 540NR, line 73; or Form 541, line 39, whichever applies.

Name(s) as shown on return

Social security number or FEIN

IMPORTANT: In most cases, the Franchise Tax Board (FTB) can figure the penalty for you and you do not have to complete this form. See General Information B.

If you meet **any** of the following conditions, you do not owe a penalty for underpayment of estimated tax. Do not complete or file this form if:

- 80% of your 1999 California adjusted gross income (AGI) was wages subject to California withholding; or
- 80% of your 1998 or 1999 tax liability (not including tax on lump-sum distributions and alternative minimum tax) less credits was paid by the amount of tax withheld from your wages for that year. Do not include the withholding credit or estimated tax payments; or
- The amount of your tax liability (not including tax on lump-sum distributions and alternative minimum tax) less credits (including the withholding credit) but not including estimated tax payments for either 1998 or 1999 was less than \$200 (or less than \$100 if married filing a separate return); or
- Your 1998 return was for a full 12 months (or would have been if you were required to file) and you did not have any tax liability on that return; or
- The amount of your withholding plus your estimated tax payments, if **paid in the required installments**, is at least 80% of the tax shown on your 1999 return or 100% of the tax shown on your 1998 return AND you are not using the annualized income installment method.

Part I Questions. All filers must complete this part.

- 1 Are you requesting a waiver of the penalty? If yes, provide an explanation below. If you need additional space, attach a statement. See General Information C **@015** **010** **020**
1 ☐ Yes ☐ No
- 2 Did you use the annualized income installment method? If yes, see instructions for Part III. **030** **040**
2 ☐ Yes ☐ No
- 3 Was your California withholding **not** withheld in equal installments and are you able to show the actual amounts withheld per period and the actual dates withheld? If yes, you must enter the uneven amounts withheld on the spaces provided below. **042** **044**
3 ☐ Yes ☐ No
Enter the **actual uneven amounts withheld** next to the corresponding quarterly payment due date here:
4/15/99 \$ **045** ; 6/15/99 \$ **046** ; 9/15/99 \$ **047** ; 1/15/00 \$ **048** **070** **080**
- 4 For estates and trusts: Was the date of death less than two years from the end of the tax year? See General Information E **040** **040**
4 ☐ Yes ☐ No

Part II Required Annual Payment. All filers must complete this part.

- | | | |
|---|---|------------|
| 1 Current year tax. Enter your 1999 tax after credits. See instructions | 1 | 090 |
| 2 Multiply line 1 by 80% (.80) | 2 | 100 |
| 3 Withholding taxes. Do not include any estimated tax payments on this line. See instructions | 3 | 110 |
| 4 Subtract line 3 from line 1. If less than \$200 (or less than \$100 if married filing a separate return), stop here. You do not owe the penalty. Do not file form FTB 5805 | 4 | 120 |
| 5 Enter the tax shown on your 1998 tax return (105% (1.05) of that amount if the adjusted gross income shown on that return is more than \$150,000, or if married filing separate for 1999, more than \$75,000). See instructions | 5 | 130 |
| 6 Required annual payment. Enter the smaller of line 2 or line 5 | 6 | 140 |

Short Method

Caution: See the instructions to find out if you can use the short method. If you answered "Yes" to Question 2 in Part I, skip this part and go to Part III. If you answered "No" to Question 2 in Part I **and** you cannot use the short method, go to Worksheet II in the instructions (page 4).

- | | | |
|---|----|------------|
| 7 Enter the amount, if any, from Part II, line 3 above | 7 | 150 |
| 8 Enter the total amount, if any, of estimated tax payments you made | 8 | 160 |
| 9 Add line 7 and line 8 | 9 | 170 |
| 10 Total underpayment for year. Subtract line 9 from line 6. If zero or less, stop here. You do not owe the penalty. Do not file form FTB 5805. | 10 | 180 |
| 11 Multiply line 10 by .05 | 11 | 190 |
| 12 • If the amount on line 10 was paid on or after 4/15/00, enter -0-.
• If the amount on line 10 was paid before 4/15/00, enter the result of the following computation:
Amount on line 10 X Number of days paid before 4/15/00 X .00022 | 12 | 200 |
| 13 PENALTY. Subtract line 12 from line 11. Enter the result here and on Form 540, line 64; Form 540A, line 37; Form 540NR, line 73; or Form 541, line 39. Also fill in the circle for "FTB 5805." | 13 | 210 |

Part III Annualized Income Installment Method Schedule.

Use this schedule **ONLY** if you earned taxable income at an **UNEVEN RATE** during 1999 (See Example A). If you earned your income at approximately the same rate each month (See Example B), then you should not complete this schedule. If you choose to figure the penalty, see the instructions for Worksheet II—Regular Method to Figure Your Underpayment and Penalty, on page 3 of the instructions.

Example A: If you were a commissioned salesperson who earned no income during the first three months of the year, earned most of your income during the following six months, and earned very little during the last three months, you should complete this schedule. You may be able to benefit by using the annualized income installment method. The required installment of estimated tax figured using the annualized method may be less than your required installment figured using the equal installment method.

Example B: If you worked all year and earned a monthly salary that did not change much during the year, you should not complete this schedule.

Note: To complete this schedule correctly, you must first complete Side 1, Part II, line 1 through line 6.

Estates and trusts, **do not** use the period ending dates shown to the right.

Instead, use the following: 2/28/99, 4/30/99, 7/31/99, and 11/30/99. Fiscal-year filers must adjust dates accordingly.

	(a) 1/1/99 to 3/31/99	(b) 1/1/99 to 5/31/99	(c) 1/1/99 to 8/31/99	(d) 1/1/99 to 12/31/99
1 Enter your adjusted gross income (AGI) for each period. Form 540NR filers, see instructions. Estates or trusts, enter the amount from Form 541, line 20 attributable to each period. See instructions	240	250	260	270
2 Annualization amounts. Estates or trusts, see instructions	4	2.4	1.5	1
3 Annualized income. Multiply line 1 by line 2	280	290	300	310
4 Enter your itemized deductions for the period shown in each column. If you do not itemize deductions, enter -0- here and on line 6. Estates or trusts, enter -0- here, skip to line 9, and enter the amount from line 3 on line 9	320	330	340	350
5 Annualization amounts	4	2.4	1.5	1
6 Annualized itemized deductions. Multiply line 4 by line 5. See instructions	360	370	380	390
7 Enter your standard deduction from your 1999 Form 540 or Form 540NR, line 18; or Form 540A, line 15. Enter the total standard deduction amount in each column	400	410	420	430
8 Enter line 6 or line 7, whichever is larger	440	450	460	470
9 Subtract line 8 from line 3	480	490	500	510
10 Figure the tax on the amount in each column of line 9 using the tax table or the tax rate schedule in the instructions for Form 540, Form 540NR, or Form 541. Also, include any tax from form FTB 3803. Estates or trusts, see instructions	520	530	540	550
11 Enter the total amount of exemption credits from your 1999 Form 540, line 21; Form 540A, line 18; Form 540NR, line 23; or Form 541, line 22. Enter the total exemption credit amount in each column. See instructions	560	570	580	590
12 Subtract line 11 from line 10. Form 540NR filers, complete Worksheet I in the instructions	600	610	620	630
13 Enter the total credit amount from your 1999 Form 540, line 33 or Form 541, line 23. Form 540NR filers, see instructions. Enter the total amount of credits in each column	640	650	660	670
14 Subtract line 13 from line 12. If zero or less, enter -0-	680	690	700	710
15 Applicable percentage	20%	40%	60%	80%
16 Multiply line 14 by line 15	720	730	740	750
COMPLETE LINE 17 THROUGH LINE 23 OF EACH COLUMN BEFORE YOU TO GO TO THE NEXT COLUMN.				
17 Enter the combined amounts shown on line 23 from all preceding columns		760	770	780
18 Subtract line 17 from line 16. If zero or less, enter -0-	790	800	810	820
19 In each column, enter 1/4 of the amount on form FTB 5805, Part II, line 6	830	840	850	860
20 Enter the amount from line 22 from the preceding column		870	880	890
21 Add line 19 and line 20	900	910	920	930
22 If line 21 is more than line 18, subtract line 18 from line 21. Otherwise, enter -0-	940	950	960	970
23 Enter line 18 or line 21, whichever is less. Transfer these amounts to Worksheet II—Regular Method to Figure Your Underpayment and Penalty, line 1	980	990	1000	1010

Note: If you use the annualized income installment method for one payment due date, you must use it for all payment due dates.

This schedule automatically selects the smaller of your annualized income installment or your regular installment.

1999**Underpayment of Estimated Tax by
Farmers and Fishermen****5805F****Attach this form to the front of your Form 540, Form 540NR, or Form 541, even if you do not owe a penalty.**

Name(s) as shown on return

Your social security number

Part I Figure Your Underpayment

1	1999 tax after credits from Form 540, line 34; Form 540NR, line 43; or Form 541, line 25	1	010
2	1999 tax on lump-sum distributions from Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b	2	020
3	Subtract line 2 from line 1	3	030
4	Multiply line 3 by 66 ² / ₃ % (.6667)	4	040
5	1999 withholding taxes from Form 540, line 38 and line 41; Form 540NR, line 47 and line 50; or Form 541, line 28	5	050
6	Subtract line 5 from line 3. If less than \$200 (\$100 married filing separate), STOP . You do not owe a penalty	6	060
7	1998 tax after credits from Form 540, line 34; Form 540NR, line 43; or Form 541, line 25	7	070
8	1998 tax on lump-sum distributions from Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b	8	080
9	Subtract line 8 from line 7. If less than \$200 (\$100 married filing separate), STOP . You do not owe a penalty	9	100
10	Enter the smaller of line 4 or line 9	10	120
11	1999 withholding taxes and estimated tax payments made on or before January 15, 2000, from Form 540, line 38, line 39 and line 41; Form 540NR, line 47, line 48 and line 50; or Form 541, line 28 and line 30	11	130
12	Underpayment. Subtract line 11 from line 10. If zero or less, you do not owe a penalty	12	140

Part II Figure Your Penalty

13	Enter the date the amount on line 12 was paid or April 15, 2000, whichever is earlier	13	150
14	Number of days after January 15, 2000, to and including the date on line 13	14	160

Note: If you are a calendar year taxpayer and made no estimate payment, enter 90 days.

15	Penalty: $\frac{\text{Number of days on line 14}}{366} \times .08 \times \text{underpayment on line 12}$. Enter this amount here and on Form 540, line 64; Form 540NR, line 73; or Form 541, line 39. Also fill in the circle on that line to show that form FTB 5805F is attached to the return	15	170
16	To request a waiver, check the box on this line and provide an explanation below. See General Information E	16	<input type="checkbox"/> 180 @190

Important: Attach this form to the front of your Form 540, Form 540NR, or Form 541 on top of all forms, schedules, and attachments, **even if you do not owe a penalty**. This helps the Franchise Tax Board identify you as a farmer or fisherman and correctly process your tax return.

General Information**A Purpose**

Use Part I of form FTB 5805F to determine if you, as a farmer or fisherman, paid the required amount of estimated tax. Use Part II to compute your estimate penalty if you did not pay enough estimated tax.

B Qualifications

You are a farmer or fisherman when at least two-thirds of your 1998 or 1999 gross income is from farming or fishing. If you need help determining your gross income, get Internal Revenue Service Pub. 505, Tax Withholding and Estimated Tax.

If you determine that you are not a farmer or fisherman, do not use this form. Instead, use form FTB 5805, Underpayment of Estimated Tax by Individuals and Fiduciaries, to determine if you owe an estimate penalty.

C Required Estimate Payment

If you are a farmer or fisherman, you are required to make an estimated tax payment of 66²/₃% of your 1999 tax or 100% of your 1998 tax, whichever is less. If you are a calendar year taxpayer, your payment is due January 15, 2000. If

you are a fiscal-year taxpayer, your payment is due the 15th day of the 1st month after the close of your taxable year.

D Exceptions to the Penalty

You do not owe a penalty for 1999 if:

1. You file your 1999 tax return and pay the full amount of tax due by March 1, 2000; or
2. The tax for 1998, after credits (Form 540, line 34 less the tax on lump-sum distributions included on line 23 and less line 38 and line 41; Form 540NR, line 43 less the tax on lump-sum distributions included on line 26 less line 47 and line 50; or Form 541, line 25, less the tax on lump-sum distributions included on line 21b and less line 28), was less than \$200 (\$100 if married filing a separate return); or
3. The tax for 1999 (from line 6) is less than \$200 (\$100 if married filing a separate return); or
4. 80% or more of the tax (excluding tax on lump-sum distributions) for 1998 or 1999 was paid by withholding; or
5. 80% or more of the California adjusted gross income reported on your 1999 tax return consisted of wages subject to withholding; however, this provision does not apply if a false or fraudulent withholding exemption certificate was filed; or
6. You had no tax liability for 1998 and your 1998 tax return was for a full 12 months (or would have been had you been required to file). You need not have had income in each month.

E Waiver of the Penalty

All or part of the penalty for underpayment may be waived if:

- You underpaid the estimated tax because of a casualty, disaster, or other unusual circumstance and it would be inequitable to impose the penalty; or
- In 1998 or 1999, you retired after age 62 or became disabled and your underpayment was due to reasonable cause.

To request a waiver you must:

- Complete form FTB 5805F to compute the penalty which would normally be due;
- Check the box on line 16;
- Below line 16, explain why you are requesting a waiver of the estimate penalty. If you need more space, attach a statement;
- Fill in the circle on Form 540, line 64; Form 540NR, line 73; or Form 541, line 39; and
- Attach form FTB 5805F to the front of your return on top of any check, money order, Form W-2, Form 1099, or other special documentation.

F Amended Returns

If you file an amended return by the due date of your original return, use the amounts shown on your amended return to figure your underpayment. If you file an amended return after the due date of your original return, use the amounts shown on the original return.

Exception: If you and your spouse file a joint return after the due date to replace separate returns you originally filed by the due date, use the amounts shown on the joint return to figure your underpayment. This rule applies only if both original separate returns were filed on time.

1999 Tax on Accumulation Distribution of Trusts**5870A****Attach to beneficiary's tax return.**

Name(s) as shown on your return

Social security number

010**020**

Name and address of trust

Federal employer identification no. (FEIN)

030**040****050****080**

PMB no.

060**070****045**

Beneficiary's date of birth

090

Month

Day

Year

Enter number of trusts from which you received accumulation distributions in this tax year

100**Part I Tax on Accumulation Distribution under IRC Section 667.****Section A — Average Income and Determination of Computation Years**

- 1 Amount of current distribution that is considered distributed in earlier years from Schedule J (541), line 30, column (a) .
- 2 Distributions of income accumulated before you were born or reached age 21
- 3 Subtract line 2 from line 1
- 4 Taxes imposed on the trust on amounts from line 3 from Schedule J (541), line 30, column (b)
- 5 Total. Add line 3 and line 4
- 6 Tax-exempt interest included on line 5 from Schedule J (541), line 30, column (c)
- 7 Taxable part of line 5. Subtract line 6 from line 5
- 8 Number of trust's earlier years in which amounts on line 7 are considered distributed
- 9 Average annual amount considered distributed. Divide line 3 by line 8
- 10 Multiply line 9 by 25% (.25)
- 11 Number of trust's earlier tax years to be taken into account. See instructions
- 12 Average amount for recomputing tax. Divide line 7 by line 11. Enter here and in each column on line 15 below
- 13 Enter your taxable income before this distribution for the 5 immediately preceding years:

1	110	
2	120	
3	130	
4	140	
5	150	
6	160	
7	170	
8	180	
9	190	
10	200	
11	210	
12	220	

	1998	1997	1996	1995	1994
13	230	240	250	260	270

Section B — Tax Attributable to the Accumulation Distribution

	(a) 19 280	(b) 19 300	(c) 19 320
14 Enter the amounts and the years from line 13, eliminating the highest and lowest taxable income years	290	310	330
15 Enter amount from line 12 in each column	340	350	360
16 Recomputed taxable income. Add line 14 and line 15	370	380	390
17 Tax on amounts on line 16	400	410	420
18 Tax before credits on line 14 income	430	440	450
19 Additional tax before credits. Subtract line 18 from line 17	460	470	480
20 Tax credit adjustment. Attach schedule @ 490	500	510	520
21 Subtract line 20 from line 19. See instructions	530	540	550
22 Alternative minimum tax adjustments	560	570	580
23 Combine line 21 and line 22	590	600	610
24 Add column (a), column (b), and column (c) of line 23			620
25 Divide the amount on line 24 by 3			630
26 Multiply the amount on line 25 by the number of years on line 11			640
27 Enter the amount from line 4			650
28 Partial tax attributable to the accumulation distribution. Subtract line 27 from line 26. If zero or less, enter -0-. See instructions			660

Part II Tax on Distributions of previously untaxed trust income under R&TC Section 17745 (b) and (d):

- If the income was accumulated over a period of 5 years or more, complete Section A.
- If the income was accumulated over a period of 4 years or less, complete Section B.

Section A — See instructions.

1	Income accumulated over 5 years or more	1	710
2	Divide line 1 by 6. Enter here and on Schedule CA (540 or 540NR), line 21f, column C	2	720

	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) 1994
3	730	740	750	760	770
4	780	790	800	810	820
5	830	840	850	860	870
6	880	890	900	910	920
7	930	940	950	960	970
8	980	990	1000	1010	1020
9	1030	1040	1050	1060	1070
10	1090	1100	1110	1120	1130
11	1140	1150	1160	1170	1180
12	1190	1200	1210	1220	1230
13	1240	1250	1260	1270	1280
14	Add line 13, column (a) through column (e) for all years that you entered "Yes" on line 3. Enter here and on Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b. See instructions				1290

Section B — See instructions.

1	Income accumulated over 4 years or less	1	1300
2	Averaging factor:		
a	Enter the number of years the trust accumulated the amount on line 1	2a	1310
b	Distribution year	2b	1
3	Add line 2a and line 2b	3	1320
4	Divide line 1 by line 3. Enter here and on Schedule CA (540 or 540NR), line 21f, column C	4	1330

	(a) 1998	(b) 1997	(c) 1996	(d) 1995		
5 Were you a resident or part-year resident? Enter "Yes" or "No" for each year	5	1340	1350	1360	1370	
6 Enter your taxable income before this distribution for the number of preceding years entered on line 2a. See instructions	6	1380	1390	1400	1410	
7 Enter the amount from line 4 in column (a) through column (d)	7	1420	1430	1440	1450	
8 Recomputed taxable income. Add line 6 and line 7	8	1460	1470	1480	1490	
9 Tax on amounts on line 8	9	1500	1510	1520	1530	
10 Tax before credits on line 6 income	10	1540	1550	1560	1570	
11 Additional tax before credits. Subtract line 10 from line 9	11	1580	1590	1600	1610	
12 Tax credit adjustment. Attach schedule @1620	12	1630	1640	1650	1660	
13 Subtract line 12 from line 11. See instructions	13	1670	1680	1690	1700	
14 Alternative minimum tax adjustments	14	1710	1720	1730	1740	
15 Add line 13 and line 14	15	1750	1760	1770	1780	
16 Add line 15, column (a) through column (d) for all years that you entered "Yes" on line 5. Enter here and on Form 540, line 23; Form 540NR, line 26; or Form 541, line 21b. See instructions					16	1790